

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 376 Session of
1989

INTRODUCED BY MOWERY, HAYES, GEIST, PHILLIPS, HERMAN, NAILOR,
BROUJOS, LANGTRY, FARMER, G. SNYDER, WAMBACH, McCALL AND
MARSICO, FEBRUARY 13, 1989

SENATOR TILGHMAN, APPROPRIATIONS, IN SENATE, RE-REPORTED AS
AMENDED, DECEMBER 13, 1989

AN ACT

1 ~~Amending Title 75 (Vehicles) of the Pennsylvania Consolidated~~ <—
2 ~~Statutes, further providing for prisoner of war plates AND~~ <—
3 ~~FOR SPECIAL PLATES FOR RECIPIENTS OF THE PURPLE HEART; and~~
4 ~~providing for a special license plate for Pearl Harbor~~
5 ~~survivors.~~
6 ~~AMENDING TITLES 18 (CRIMES AND OFFENSES), 42 (JUDICIARY AND~~ <—
7 ~~JUDICIAL PROCEDURE) AND 75 (VEHICLES) OF THE PENNSYLVANIA~~
8 ~~CONSOLIDATED STATUTES, FURTHER PROVIDING FOR CORRUPT~~
9 ~~ORGANIZATIONS; PROVIDING FOR INSURANCE FRAUD; PROVIDING FOR~~
10 ~~CERTIFICATION OF PLEADINGS, MOTIONS AND OTHER PAPERS;~~
11 ~~PROVIDING FOR SPECIAL DAMAGES; FURTHER PROVIDING FOR VEHICLE~~
12 ~~REGISTRATION; FURTHER PROVIDING FOR FINANCIAL RESPONSIBILITY~~
13 ~~AND INSURANCE RELATED TO MOTOR VEHICLES; PROVIDING FOR PROOF~~
14 ~~OF INSURANCE; FURTHER PROVIDING FOR REINSTATEMENT OF~~
15 ~~OPERATING PRIVILEGES OR VEHICLE REGISTRATION; FURTHER~~
16 ~~PROVIDING FOR DRIVING UNDER THE INFLUENCE OF ALCOHOL OR~~
17 ~~CONTROLLED SUBSTANCES; FURTHER PROVIDING FOR INSPECTION OF~~
18 ~~VEHICLES; PROVIDING FOR CERTAIN REDUCTIONS IN AUTOMOBILE~~
19 ~~INSURANCE PREMIUMS; CONFERRING POWERS AND DUTIES ON THE~~
20 ~~INSURANCE DEPARTMENT AND THE DEPARTMENT OF TRANSPORTATION;~~
21 ~~AND MAKING REPEALS.~~
22 ~~AMENDING TITLE 75 (VEHICLES) OF THE PENNSYLVANIA CONSOLIDATED~~ <—
23 ~~STATUTES, FURTHER PROVIDING FOR PRISONER OF WAR PLATES AND~~
24 ~~FOR SPECIAL PLATES FOR RECIPIENTS OF THE PURPLE HEART;~~
25 ~~PROVIDING FOR A SPECIAL LICENSE PLATE FOR PEARL HARBOR~~
26 ~~SURVIVORS; FURTHER PROVIDING FOR FINANCIAL RESPONSIBILITY,~~
27 ~~LIABILITY INSURANCE AVAILABILITY AND BENEFITS, UNINSURED AND~~
28 ~~UNDERINSURED MOTORIST COVERAGE, THE ASSIGNED RISK PLAN,~~
29 ~~STACKING OF LIMITS OF COVERAGE, DEDUCTIBLES, AND CHARGES FOR~~
30 ~~TREATMENT FOR INJURIES; REQUIRING CLAIMANTS TO OBTAIN REPAIR~~

1 BIDS; AND PROVIDING FOR RATE REDUCTIONS AND FOR PROCESSING OF
2 DAMAGE CLAIMS.

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

5 ~~Section 1. Section 1342(d) SECTIONS 1342(D) AND 1346 of~~ <—
6 ~~Title 75 of the Pennsylvania Consolidated Statutes is ARE~~ <—
7 ~~amended to read:~~

8 ~~§ 1342. Veteran plates and placard.~~

9 ~~* * *~~

10 ~~(d) Prisoner of war plate. On the application of an ex-~~
11 ~~prisoner of war whose imprisonment while in the service of the~~
12 ~~armed forces of the United States is certified by the~~
13 ~~appropriate branch of the armed forces, the department shall~~
14 ~~issue a special registration plate designating the vehicle as~~
15 ~~belonging to an ex prisoner of war. The registration plate shall~~
16 ~~contain the letters "POW" and such other numbers or letters as~~
17 ~~the department may determine and shall have the words "prisoner~~
18 ~~of war" in at least ten point bold type inscribed at the bottom~~
19 ~~of the plate. The surviving spouse of an ex prisoner of war may~~
20 ~~retain the "POW" special registration plate. The special~~
21 ~~registration plate may be used only on one passenger vehicle or~~
22 ~~one other vehicle with a registered gross weight of not more~~
23 ~~than 9,000 pounds.~~

24 ~~* * *~~

25 ~~§ 1346. SPECIAL PLATES FOR RECIPIENTS OF PURPLE HEART.~~ <—

26 ~~UPON APPLICATION OF ANY PERSON WHO IS A RECIPIENT OF THE~~
27 ~~PURPLE HEART, THE DEPARTMENT SHALL ISSUE TO SUCH PERSON A~~
28 ~~SPECIAL REGISTRATION PLATE DESIGNATING THE VEHICLE SO LICENSED~~
29 ~~AS BELONGING TO A PERSON WHO IS A RECIPIENT OF THE PURPLE HEART.~~
30 ~~THE PLATE SHALL HAVE A WHITE BACKGROUND WITH A PURPLE BORDER AND~~

1 ~~PURPLE LETTERS OR NUMBERS. THE WORDS "COMBAT WOUNDED VETERAN"~~
2 ~~SHALL BE EMBOSSED IN RED ALONG THE TOP OF THE PLATE IN FULL~~
3 ~~UPPER CASE LETTERS AND THE WORD "PENNSYLVANIA" SHALL BE EMBOSSED~~
4 ~~IN RED ALONG THE BOTTOM OF THE PLATE. THE LETTER "P" OVER THE~~
5 ~~LETTER "H" SHALL BE EMBOSSED IN PURPLE ON THE LEFT SIDE OF THE~~
6 ~~PLATE. THE CENTER OF THE PLATE SHALL BEAR A DECAL OR APPLIQUE~~
7 ~~REPLICA OF THE PURPLE HEART IN FULL CONFORMITY WITH THE~~
8 ~~DESCRIPTION SET FORTH IN 32 CFR § 578.14(B), EXCEPT AS TO~~
9 ~~MATERIAL AND SIZE. A SEVERELY DISABLED VETERAN, AS DESCRIBED IN~~
10 ~~SECTION 1342(A) (RELATING TO VETERAN PLATES AND PLACARD), WHO IS~~
11 ~~QUALIFIED TO RECEIVE A PLATE UNDER THIS SECTION MAY ALSO ELECT~~
12 ~~TO RECEIVE A PLACARD UNDER SECTION 1342(B). THE SPECIAL~~
13 ~~REGISTRATION PLATE MAY BE USED ONLY ON ONE PASSENGER VEHICLE OR~~
14 ~~ONE OTHER VEHICLE WITH A REGISTERED GROSS WEIGHT OF NOT MORE~~
15 ~~THAN 9,000 POUNDS.~~

16 ~~Section 2. Title 75 is amended by adding a section to read:~~
17 ~~§ 1348. Special plates for Pearl Harbor survivors.~~

18 ~~Upon application of any person who is a survivor of Pearl~~
19 ~~Harbor, accompanied by a fee of \$20 which shall be in addition~~
20 ~~to the annual registration fee and by such documentation as the~~
21 ~~department shall require by regulation, the department shall~~
22 ~~issue to such person a special registration plate designating~~
23 ~~the vehicle so licensed as belonging to a person who is a~~
24 ~~survivor of Pearl Harbor. The special registration plate may be~~
25 ~~used only on one passenger vehicle or one other vehicle with a~~
26 ~~registered gross weight of not more than 9,000 pounds.~~

27 ~~Section 3. This act shall take effect in 60 days.~~

28 ~~SECTION 1. SECTION 911(H) OF TITLE 18 OF THE PENNSYLVANIA~~
29 ~~CONSOLIDATED STATUTES IS AMENDED TO READ:~~

30 ~~§ 911. CORRUPT ORGANIZATIONS.~~

~~***~~

~~(H) DEFINITIONS. AS USED IN THIS SECTION:~~

~~(1) "RACKETEERING ACTIVITY" MEANS:~~

~~(I) ANY ACT WHICH IS INDICTABLE UNDER ANY OF THE
FOLLOWING PROVISIONS OF THIS TITLE:~~

~~CHAPTER 25 (RELATING TO CRIMINAL HOMICIDE)~~

~~SECTION 2706 (RELATING TO TERRORISTIC THREATS)~~

~~CHAPTER 29 (RELATING TO KIDNAPPING)~~

~~CHAPTER 33 (RELATING TO ARSON, ETC.)~~

~~CHAPTER 37 (RELATING TO ROBBERY)~~

~~CHAPTER 39 (RELATING TO THEFT AND RELATED
OFFENSES)~~

~~SECTION 4108 (RELATING TO COMMERCIAL BRIBERY AND
BREACH OF DUTY TO ACT DISINTERESTEDLY)~~

~~SECTION 4109 (RELATING TO RIGGING PUBLICLY
EXHIBITED CONTEST)~~

~~SECTION 4117 (RELATING TO AUTOMOBILE INSURANCE
FRAUD)~~

~~CHAPTER 47 (RELATING TO BRIBERY AND CORRUPT
INFLUENCE)~~

~~CHAPTER 49 (RELATING TO PERJURY AND OTHER
FALSIFICATION IN OFFICIAL MATTERS)~~

~~SECTION 5512 THROUGH 5514 (RELATING TO GAMBLING)~~

~~CHAPTER 59 (RELATING TO PUBLIC INDECENCY)~~

~~(II) ANY OFFENSE INDICTABLE UNDER SECTION 13 OF THE
ACT OF APRIL 14, 1972 (P.L.233, NO.64), KNOWN AS ["]THE
CONTROLLED SUBSTANCE, DRUG, DEVICE AND COSMETIC ACT["]
(RELATING TO THE SALE AND DISPENSING OF NARCOTIC DRUGS);~~

~~(III) ANY CONSPIRACY TO COMMIT ANY OF THE OFFENSES
SET FORTH IN SUBPARAGRAPHS (I) AND (II) OF THIS~~

1 ~~PARAGRAPH; OR~~

2 ~~(IV) THE COLLECTION OF ANY MONEY OR OTHER PROPERTY~~
3 ~~IN FULL OR PARTIAL SATISFACTION OF A DEBT WHICH AROSE AS~~
4 ~~THE RESULT OF THE LENDING OF MONEY OR OTHER PROPERTY AT A~~
5 ~~RATE OF INTEREST EXCEEDING 25% PER ANNUM OR THE~~
6 ~~EQUIVALENT RATE FOR A LONGER OR SHORTER PERIOD, WHERE NOT~~
7 ~~OTHERWISE AUTHORIZED BY LAW.~~

8 ~~ANY ACT WHICH OTHERWISE WOULD BE CONSIDERED RACKETEERING~~
9 ~~ACTIVITY BY REASON OF THE APPLICATION OF THIS PARAGRAPH,~~
10 ~~SHALL NOT BE EXCLUDED FROM ITS APPLICATION SOLELY BECAUSE THE~~
11 ~~OPERATIVE ACTS TOOK PLACE OUTSIDE THE JURISDICTION OF THIS~~
12 ~~COMMONWEALTH, IF SUCH ACTS WOULD HAVE BEEN IN VIOLATION OF~~
13 ~~THE LAW OF THE JURISDICTION IN WHICH THEY OCCURRED.~~

14 ~~(2) "PERSON" MEANS ANY INDIVIDUAL OR ENTITY CAPABLE OF~~
15 ~~HOLDING A LEGAL OR BENEFICIAL INTEREST IN PROPERTY.~~

16 ~~(3) "ENTERPRISE" MEANS ANY INDIVIDUAL, PARTNERSHIP,~~
17 ~~CORPORATION, ASSOCIATION OR OTHER LEGAL ENTITY, AND ANY UNION~~
18 ~~OR GROUP OF INDIVIDUALS ASSOCIATED IN FACT ALTHOUGH NOT A~~
19 ~~LEGAL ENTITY, ENGAGED IN COMMERCE.~~

20 ~~(4) "PATTERN OF RACKETEERING ACTIVITY" REFERS TO A~~
21 ~~COURSE OF CONDUCT REQUIRING TWO OR MORE ACTS OF RACKETEERING~~
22 ~~ACTIVITY ONE OF WHICH OCCURRED AFTER THE EFFECTIVE DATE OF~~
23 ~~THIS SECTION.~~

24 ~~(5) "RACKETEERING INVESTIGATOR" MEANS AN ATTORNEY,~~
25 ~~INVESTIGATOR OR INVESTIGATIVE BODY SO DESIGNATED IN WRITING~~
26 ~~BY THE ATTORNEY GENERAL AND CHARGED WITH THE DUTY OF~~
27 ~~ENFORCING OR CARRYING INTO EFFECT THE PROVISIONS OF THIS~~
28 ~~SECTION.~~

29 ~~(6) "RACKETEERING INVESTIGATION" MEANS ANY INQUIRY~~
30 ~~CONDUCTED BY ANY RACKETEERING INVESTIGATOR FOR THE PURPOSE OF~~

1 ~~ASCERTAINING WHETHER ANY PERSON HAS BEEN INVOLVED IN ANY~~
2 ~~VIOLATION OF THIS SECTION OR OF ANY ORDER, JUDGMENT, OR~~
3 ~~DECREE OF ANY COURT DULY ENTERED IN ANY CASE OR PROCEEDING~~
4 ~~ARISING UNDER THIS SECTION.~~

5 ~~(7) "DOCUMENTARY MATERIAL" MEANS ANY BOOK, PAPER,~~
6 ~~RECORD, RECORDING, TAPE, REPORT, MEMORANDUM, WRITTEN~~
7 ~~COMMUNICATION, OR OTHER DOCUMENT RELATING TO THE BUSINESS~~
8 ~~AFFAIRS OF ANY PERSON OR ENTERPRISE.~~

9 ~~SECTION 2. TITLE 18 IS AMENDED BY ADDING A SECTION TO READ:~~
10 ~~§ 4117. AUTOMOBILE INSURANCE FRAUD.~~

11 ~~(A) OFFENSE DEFINED. A PERSON COMMITS AN OFFENSE IF THE~~
12 ~~PERSON DOES ANY OF THE FOLLOWING:~~

13 ~~(1) KNOWINGLY AND WITH THE INTENT TO DEFRAUD A~~
14 ~~GOVERNMENT OR LOCAL AGENCY FILES, PRESENTS OR CAUSES TO BE~~
15 ~~FILED WITH OR PRESENTED TO THE GOVERNMENT OR LOCAL AGENCY A~~
16 ~~DOCUMENT THAT CONTAINS FALSE, INCOMPLETE OR MISLEADING~~
17 ~~INFORMATION CONCERNING ANY FACT OR THING MATERIAL TO THE~~
18 ~~AGENCY'S DETERMINATION IN APPROVING OR DISAPPROVING AN~~
19 ~~AUTOMOBILE INSURANCE RATE FILING, AN AUTOMOBILE INSURANCE~~
20 ~~TRANSACTION OR OTHER AUTOMOBILE INSURANCE ACTION WHICH IS~~
21 ~~REQUIRED OR FILED IN RESPONSE TO AN AGENCY'S REQUEST.~~

22 ~~(2) KNOWINGLY AND WITH THE INTENT TO DEFRAUD ANY INSURER~~
23 ~~PRESENTS OR CAUSES TO BE PRESENTED TO ANY INSURER ANY~~
24 ~~STATEMENT FORMING A PART OF, OR IN SUPPORT OF, AN AUTOMOBILE~~
25 ~~INSURANCE CLAIM THAT CONTAINS ANY FALSE, INCOMPLETE OR~~
26 ~~MISLEADING INFORMATION CONCERNING ANY FACT OR THING MATERIAL~~
27 ~~TO THE AUTOMOBILE INSURANCE CLAIM.~~

28 ~~(3) KNOWINGLY AND WITH THE INTENT TO DEFRAUD ANY INSURER~~
29 ~~ASSISTS, ABETS, SOLICITS OR CONSPIRES WITH ANOTHER TO PREPARE~~
30 ~~OR MAKE ANY STATEMENT THAT IS INTENDED TO BE PRESENTED TO ANY~~

1 ~~INSURER IN CONNECTION WITH, OR IN SUPPORT OF, AN AUTOMOBILE~~
2 ~~INSURANCE CLAIM THAT CONTAINS ANY FALSE, INCOMPLETE OR~~
3 ~~MISLEADING INFORMATION CONCERNING ANY FACT OR THING MATERIAL~~
4 ~~TO THE AUTOMOBILE INSURANCE CLAIM.~~

5 ~~(4) ENGAGES IN UNLICENSED AGENT OR BROKER ACTIVITY AS~~
6 ~~DEFINED BY THE ACT OF MAY 17, 1921 (P.L.789, NO.285), KNOWN~~
7 ~~AS THE INSURANCE DEPARTMENT ACT OF ONE THOUSAND NINE HUNDRED~~
8 ~~AND TWENTY ONE, KNOWINGLY AND WITH THE INTENT TO DEFRAUD AN~~
9 ~~AUTOMOBILE INSURER OR THE PUBLIC.~~

10 ~~(5) KNOWINGLY BENEFITS, DIRECTLY OR INDIRECTLY, FROM THE~~
11 ~~PROCEEDS DERIVED FROM A VIOLATION OF THIS SECTION DUE TO THE~~
12 ~~ASSISTANCE, CONSPIRACY OR URGING OF ANY PERSON.~~

13 ~~(6) IS THE OWNER, ADMINISTRATOR OR EMPLOYEE OF ANY~~
14 ~~HEALTH CARE FACILITY, AND KNOWINGLY ALLOWS THE USE OF SUCH~~
15 ~~FACILITY BY ANY PERSON IN FURTHERANCE OF A SCHEME OR~~
16 ~~CONSPIRACY TO VIOLATE ANY OF THE PROVISIONS OF THIS SECTION.~~

17 ~~(7) BORROWS OR USES ANOTHER PERSON'S FINANCIAL~~
18 ~~RESPONSIBILITY IDENTIFICATION CARD OR PERMITS HIS FINANCIAL~~
19 ~~RESPONSIBILITY IDENTIFICATION CARD TO BE USED BY ANOTHER,~~
20 ~~KNOWINGLY AND WITH INTENT TO PRESENT A FRAUDULENT AUTOMOBILE~~
21 ~~INSURANCE CLAIM FOR REIMBURSEMENT TO AN INSURER.~~

22 ~~(8) KNOWINGLY, FOR PROFIT, GAIN, BENEFIT, FAVOR, OR~~
23 ~~OTHERWISE, MAKES ANY FALSE ORAL STATEMENT, MISREPRESENTS,~~
24 ~~SUBSTITUTES PERSONS OR REALTY OR GOODS, SUBSCRIBES TO OR~~
25 ~~PREPARES, OR HELPS TO PREPARE, ANY FRAUDULENT LETTER,~~
26 ~~DOCUMENT, APPLICATION, AFFIDAVIT, INVENTORY, FINANCIAL OR~~
27 ~~OTHER STATEMENT, OR IN ANY METHOD OR MANNER ATTEMPTS TO~~
28 ~~DECEIVE, FOR THE PURPOSE OF OBTAINING FOR HIMSELF, HERSELF,~~
29 ~~OR OTHERS, AUTOMOBILE INSURANCE PROVIDED FOR BY THE ACT OF~~
30 ~~MAY 17, 1921 (P.L.682, NO.284), KNOWN AS THE INSURANCE~~

1 ~~COMPANY LAW OF 1921; OR KNOWINGLY, FOR PROFIT, GAIN, BENEFIT,~~
2 ~~FAVOR, OR OTHERWISE, PREPARES OR FORWARDS ANY FRAUDULENT~~
3 ~~AUTOMOBILE INSURANCE APPLICATION.~~

4 ~~(B) ADDITIONAL OFFENSES DEFINED.~~

5 ~~(1) IN A CLAIM ARISING OUT OF AN AUTOMOBILE ACCIDENT, A~~
6 ~~LAWYER MAY NOT COMPENSATE OR GIVE ANYTHING OF VALUE TO A NON~~
7 ~~LAWYER TO RECOMMEND OR SECURE EMPLOYMENT BY A CLIENT OR AS A~~
8 ~~REWARD FOR HAVING MADE A RECOMMENDATION RESULTING IN~~
9 ~~EMPLOYMENT BY A CLIENT; EXCEPT THAT THE LAWYER MAY PAY:~~

10 ~~(I) THE REASONABLE COST OF ADVERTISING OR WRITTEN~~
11 ~~COMMUNICATION AS PERMITTED BY THE RULES OF PROFESSIONAL~~
12 ~~CONDUCT; OR~~

13 ~~(II) THE USUAL CHARGES OF A NOT FOR PROFIT LAWYER~~
14 ~~REFERRAL SERVICE OR OTHER LEGAL SERVICE ORGANIZATION.~~

15 ~~(2) WITH RESPECT TO A MOTOR VEHICLE INSURANCE BENEFIT OR~~
16 ~~CLAIM, A HEALTH CARE PROVIDER MAY NOT COMPENSATE OR GIVE~~
17 ~~ANYTHING OF VALUE TO A PERSON TO RECOMMEND OR SECURE THE~~
18 ~~PROVIDER'S SERVICE TO OR EMPLOYMENT BY A PATIENT OR AS A~~
19 ~~REWARD FOR HAVING MADE A RECOMMENDATION RESULTING IN THE~~
20 ~~PROVIDER'S SERVICE TO OR EMPLOYMENT BY A PATIENT; EXCEPT THAT~~
21 ~~THE PROVIDER MAY PAY THE REASONABLE COST OF ADVERTISING OR~~
22 ~~WRITTEN COMMUNICATION AS PERMITTED BY RULES OF PROFESSIONAL~~
23 ~~CONDUCT.~~

24 ~~(3) A PERSON MAY NOT RECEIVE COMPENSATION, A REWARD OR~~
25 ~~ANYTHING OF VALUE IN RETURN FOR PROVIDING NAMES, ADDRESSES,~~
26 ~~TELEPHONE NUMBERS OR OTHER IDENTIFYING INFORMATION OF VICTIMS~~
27 ~~INVOLVED IN AUTOMOBILE ACCIDENTS TO A LAWYER OR HEALTH CARE~~
28 ~~PROVIDER WHICH RESULTS IN EMPLOYMENT OF THE LAWYER OR HEALTH~~
29 ~~CARE PROVIDER BY THE VICTIMS FOR PURPOSES OF A MOTOR VEHICLE~~
30 ~~INSURANCE CLAIM OR SUIT. ATTEMPTS TO CIRCUMVENT THIS~~

~~PARAGRAPH THROUGH USE OF ANY OTHER PERSON, INCLUDING, BUT NOT LIMITED TO, EMPLOYEES, AGENTS OR SERVANTS, SHALL ALSO BE PROHIBITED. THIS PROVISION SHALL NOT PROHIBIT A LAWYER OR HEALTH CARE PROVIDER FROM MAKING A REFERRAL AS IS PERMITTED UNDER APPLICABLE PROFESSIONAL RULES OF CONDUCT.~~

~~(C) ELECTRONIC CLAIMS SUBMISSION. IF A CLAIM FOR A BENEFIT IS MADE BY MEANS OF COMPUTER BILLING TAPES OR OTHER ELECTRONIC MEANS, IT SHALL BE A REBUTTABLE PRESUMPTION THAT THE PERSON KNOWINGLY MADE THE CLAIM IF THE PERSON HAS ADVISED THE INSURER IN WRITING THAT CLAIMS FOR BENEFITS WILL BE SUBMITTED BY USE OF COMPUTER BILLING TAPES OR OTHER ELECTRONIC MEANS.~~

~~(D) GRADING. AN OFFENSE UNDER SUBSECTION (A)(1) THROUGH (7) IS A FELONY OF THE THIRD DEGREE. AN OFFENSE UNDER SUBSECTION (A)(8) OR (B) IS A MISDEMEANOR OF THE FIRST DEGREE.~~

~~(E) RESTITUTION. THE COURT MAY, IN ADDITION TO ANY OTHER SENTENCE AUTHORIZED BY LAW, SENTENCE A PERSON CONVICTED OF VIOLATING THIS SECTION TO MAKE RESTITUTION UNDER SECTION 1106 (RELATING TO RESTITUTION FOR INJURIES TO PERSON OR PROPERTY).~~

~~(F) IMMUNITY. AN INSURER, AND ANY AGENT, SERVANT OR EMPLOYEE ACTING IN THE COURSE AND SCOPE OF HIS EMPLOYMENT, SHALL BE IMMUNE FROM CIVIL OR CRIMINAL LIABILITY ARISING FROM THE SUPPLY OR RELEASE OF WRITTEN OR ORAL INFORMATION TO ANY ENTITY DULY AUTHORIZED TO RECEIVE SUCH INFORMATION BY FEDERAL OR STATE LAW, OR BY INSURANCE DEPARTMENT REGULATIONS, ONLY IF BOTH OF THE FOLLOWING CONDITIONS EXIST:~~

~~(1) THE INFORMATION IS SUPPLIED TO THE AGENCY IN CONNECTION WITH AN ALLEGATION OF FRAUDULENT CONDUCT ON THE PART OF ANY PERSON RELATING TO THE FILING OR MAINTENANCE OF AN INSURANCE CLAIM OR BODILY INJURY OR PROPERTY DAMAGE; AND~~

~~(2) THE INSURER, AGENT, SERVANT OR EMPLOYEE HAS PROBABLE~~

~~CAUSE TO BELIEVE THAT THE INFORMATION SUPPLIED IS REASONABLY
RELATED TO THE ALLEGATION OF FRAUD.~~

~~(G) CIVIL ACTION. AN INSURER DAMAGED AS A RESULT OF A
VIOLATION OF THIS SECTION MAY SUE THEREFOR IN ANY COURT OF
COMPETENT JURISDICTION TO RECOVER COMPENSATORY DAMAGES, WHICH
MAY INCLUDE REASONABLE INVESTIGATION EXPENSES, COSTS OF SUIT AND
ATTORNEY FEES. A SUCCESSFUL CLAIMANT MAY RECOVER TREBLE DAMAGES
IF THE COURT DETERMINES THAT THE DEFENDANT HAS ENGAGED IN A
PATTERN OF VIOLATING THIS SECTION.~~

~~(H) CRIMINAL ACTION. THE ATTORNEY GENERAL AND THE DISTRICT
ATTORNEYS OF THE SEVERAL COUNTIES SHALL HAVE CONCURRENT
AUTHORITY TO INSTITUTE CRIMINAL PROCEEDINGS UNDER THE PROVISIONS
OF THIS SECTION.~~

~~(I) REGULATORY AND INVESTIGATIVE POWERS ADDITIONAL TO THOSE
NOW EXISTING. NOTHING CONTAINED IN THIS SECTION SHALL BE
CONSTRUED TO LIMIT THE REGULATORY OR INVESTIGATIVE AUTHORITY OF
ANY DEPARTMENT OR AGENCY OF THE COMMONWEALTH WHOSE FUNCTIONS
MIGHT RELATE TO PERSONS, ENTERPRISES, OR MATTERS FALLING WITHIN
THE SCOPE OF THIS SECTION.~~

~~(J) DEFINITIONS. AS USED IN THIS SECTION, THE FOLLOWING
WORDS AND PHRASES SHALL HAVE THE MEANINGS GIVEN TO THEM IN THIS
SUBSECTION:~~

~~"INSURANCE CLAIM." A CLAIM FOR PAYMENT OR OTHER BENEFIT
PURSUANT TO AN INSURANCE POLICY.~~

~~"INSURANCE POLICY." A DOCUMENT SETTING FORTH THE TERMS AND
CONDITIONS OF A CONTRACT OF INSURANCE.~~

~~"INSURER." A COMPANY, ASSOCIATION OR EXCHANGE DEFINED BY
SECTION 101 OF THE ACT OF MAY 17, 1921 (P.L.682, NO.284), KNOWN
AS THE INSURANCE COMPANY LAW OF 1921; AN UNINCORPORATED
ASSOCIATION OF UNDERWRITING MEMBERS; A HOSPITAL PLAN~~

~~CORPORATION; A PROFESSIONAL HEALTH SERVICES PLAN CORPORATION; A
HEALTH MAINTENANCE ORGANIZATION; A FRATERNAL BENEFIT SOCIETY;
AND A HEALTH INSURED HEALTH CARE ENTITY UNDER THE ACT OF OCTOBER
15, 1975 (P.L.390, NO.111), KNOWN AS THE HEALTH CARE SERVICES
MALPRACTICE ACT.~~

~~"PERSON." ANY INDIVIDUAL, CORPORATION, ASSOCIATION,
PARTNERSHIP, RECIPROCAL EXCHANGE, INTER INSURER, LLOYD'S
INSURER, FRATERNAL BENEFIT SOCIETY, BENEFICIAL ASSOCIATION AND
ANY OTHER LEGAL ENTITY ENGAGED OR PROPOSING TO BECOME ENGAGED,
EITHER DIRECTLY OR INDIRECTLY, IN THE BUSINESS OF INSURANCE,
INCLUDING AGENTS, BROKERS, ADJUSTERS AND HEALTH CARE PLANS AS
DEFINED IN 40 PA.C.S. CHS. 61 (RELATING TO HOSPITAL PLAN
CORPORATIONS), 63 (RELATING TO PROFESSIONAL HEALTH SERVICES PLAN
CORPORATIONS), 65 (RELATING TO FRATERNAL BENEFIT SOCIETIES) AND
67 (RELATING TO BENEFICIAL SOCIETIES) AND THE ACT OF DECEMBER
29, 1972 (P.L.1701, NO.364), KNOWN AS THE HEALTH MAINTENANCE
ORGANIZATION ACT. FOR PURPOSES OF THIS SECTION, HEALTH CARE
PLANS, FRATERNAL BENEFIT SOCIETIES AND BENEFICIAL SOCIETIES
SHALL BE DEEMED TO BE ENGAGED IN THE BUSINESS OF INSURANCE.~~

~~"STATEMENT." ANY ORAL OR WRITTEN PRESENTATION OR OTHER
EVIDENCE OF LOSS, INJURY OR EXPENSE, INCLUDING, BUT NOT LIMITED
TO, ANY NOTICE, STATEMENT, PROOF OF LOSS, BILL OF LADING,
RECEIPT FOR PAYMENT, INVOICE, ACCOUNT, ESTIMATE OF PROPERTY
DAMAGES, BILL FOR SERVICES, DIAGNOSIS, PRESCRIPTION, HOSPITAL OR
DOCTOR RECORDS, X RAY, TEST RESULT OR COMPUTER GENERATED
DOCUMENTS.~~

~~SECTION 3. CHAPTER 83 OF TITLE 42 IS AMENDED BY ADDING A
SECTION AND A SUBCHAPTER TO READ:~~

~~§ 8355. CERTIFICATION OF PLEADINGS, MOTIONS AND OTHER PAPERS.~~

~~EVERY PLEADING, MOTION AND OTHER PAPER OF A PARTY REPRESENTED~~

~~BY AN ATTORNEY SHALL BE SIGNED BY AT LEAST ONE ATTORNEY OF
RECORD IN HIS INDIVIDUAL NAME AND HIS ADDRESS SHALL BE STATED. A
PARTY WHO IS NOT REPRESENTED BY AN ATTORNEY SHALL SIGN HIS
PLEADING, MOTION OR OTHER PAPER AND STATE HIS ADDRESS. EXCEPT
WHEN OTHERWISE SPECIFICALLY PROVIDED BY RULE OR STATUTE,
PLEADINGS NEED NOT BE VERIFIED OR ACCOMPANIED BY AFFIDAVIT. THE
SIGNATURE OF AN ATTORNEY OR PARTY CONSTITUTES A CERTIFICATION BY
HIM THAT HE HAS READ THE PLEADING, MOTION OR OTHER PAPER; THAT,
TO THE BEST OF HIS KNOWLEDGE, INFORMATION AND BELIEF, IT IS WELL
GROUNDED IN FACT AND IS WARRANTED BY EXISTING LAW OR A GOOD-
FAITH ARGUMENT FOR THE EXTENSION, MODIFICATION OR REVERSAL OF
EXISTING LAW; AND THAT IT IS NOT INTERPOSED IN BAD FAITH OR FOR
ANY IMPROPER PURPOSE, SUCH AS TO HARASS ANOTHER, TO MALICIOUSLY
INJURE ANOTHER OR TO CAUSE UNNECESSARY DELAY OR INCREASE IN THE
COST OF LITIGATION. IF A PLEADING, MOTION OR OTHER PAPER IS NOT
SIGNED, IT SHALL BE STRICKEN UNLESS IT IS SIGNED PROMPTLY AFTER
THE OMISSION IS CALLED TO THE ATTENTION OF THE PLEADER OR
MOVANT. IF A PLEADING, MOTION OR OTHER PAPER IS SIGNED IN
VIOLATION OF THIS SECTION, THE COURT SHALL AWARD TO THE
SUCCESSFUL PARTY COSTS AND REASONABLE ATTORNEY FEES IN ADDITION
TO A FINE; THE FINE SHALL NOT EXCEED \$10,000. SUCH COSTS, FEES
AND FINES SHALL BE IN ADDITION TO ANY OTHER JUDGMENT AWARDED TO
THE SUCCESSFUL PARTY AND SHALL BE IMPOSED UPON THE PERSON WHO
SIGNED THE PLEADING, MOTION OR OTHER PAPER, OR A REPRESENTED
PARTY, OR BOTH. THIS SECTION IS IN ADDITION TO AND SHALL NOT BE
CONSTRUED TO LIMIT ANY OTHER REMEDIES OR SANCTIONS PROVIDED BY
LAW.~~

SUBCHAPTER G

SPECIAL DAMAGES

SEC.

1 ~~8371. ACTIONS ON INSURANCE POLICIES.~~

2 ~~§ 8371. ACTIONS ON INSURANCE POLICIES.~~

3 ~~IN AN ACTION ARISING UNDER AN INSURANCE POLICY, IF THE COURT~~
4 ~~FINDS THAT THE INSURER HAS ACTED IN BAD FAITH TOWARD THE~~
5 ~~INSURED, THE COURT MAY TAKE ALL OF THE FOLLOWING ACTIONS:~~

6 ~~(1) AWARD INTEREST ON THE AMOUNT OF THE CLAIM FROM THE~~
7 ~~DATE THE CLAIM WAS MADE BY THE INSURED IN AN AMOUNT EQUAL TO~~
8 ~~THE PRIME RATE OF INTEREST PLUS 3%.~~

9 ~~(2) AWARD PUNITIVE DAMAGES AGAINST THE INSURER.~~

10 ~~(3) ASSESS COURT COSTS AND ATTORNEY FEES AGAINST THE~~
11 ~~INSURER.~~

12 ~~SECTION 4. SECTIONS 1305 AND 1306 OF TITLE 75 ARE AMENDED TO~~
13 ~~READ:~~

14 ~~§ 1305. APPLICATION FOR REGISTRATION.~~

15 ~~(A) GENERAL RULE. APPLICATION FOR THE REGISTRATION OF A~~
16 ~~VEHICLE SHALL BE MADE TO THE DEPARTMENT UPON THE APPROPRIATE~~
17 ~~FORM OR FORMS FURNISHED BY THE DEPARTMENT. THE APPLICATION SHALL~~
18 ~~CONTAIN THE FULL NAME AND ADDRESS OF THE OWNER OR OWNERS; THE~~
19 ~~MAKE, MODEL, YEAR AND VEHICLE IDENTIFICATION NUMBER OF THE~~
20 ~~VEHICLE; AND SUCH OTHER INFORMATION AS THE DEPARTMENT MAY~~
21 ~~REQUIRE. APPLICANTS FOR REGISTRATION OF A TRUCK, TRUCK TRACTOR,~~
22 ~~TRAILER OR BUS SHALL PROVIDE THE VEHICLE'S GROSS VEHICLE WEIGHT~~
23 ~~RATING (GVWR), OR THE GROSS COMBINATION WEIGHT RATING (GCWR), AS~~
24 ~~APPLICABLE. IF THE MANUFACTURER'S RATINGS ARE NOT AVAILABLE, THE~~
25 ~~APPLICANT SHALL PROVIDE SUFFICIENT INFORMATION AS TO THE~~
26 ~~HORSEPOWER, BRAKING CAPACITY AND SUCH OTHER DATA AS NECESSARY~~
27 ~~FOR THE DEPARTMENT TO DETERMINE AN EQUIVALENT MEASURE OF THE~~
28 ~~VEHICLE'S HAULING AND STOPPING CAPABILITY. IF THE APPLICANT~~
29 ~~WISHES TO REGISTER A VEHICLE AT A REGISTERED GROSS WEIGHT LESS~~
30 ~~THAN THE GROSS VEHICLE WEIGHT RATING, THE APPLICATION SHALL~~

1 ~~INCLUDE INFORMATION AS TO WEIGHT, LOAD AND ANY OTHER SUCH~~
2 ~~INFORMATION AS THE DEPARTMENT MAY REQUIRE. THE APPLICATION SHALL~~
3 ~~BE ACCOMPANIED BY SELF CERTIFICATION OF FINANCIAL RESPONSIBILITY~~
4 ~~AND THE APPLICABLE FEE.~~

5 ~~(B) EVIDENCE OF P.U.C. APPROVAL FOR BUSES AND TAXIS. BEFORE~~
6 ~~REGISTERING ANY BUS OR TAXI WHICH IS REQUIRED UNDER THE LAWS OF~~
7 ~~THIS COMMONWEALTH TO OBTAIN A CERTIFICATE OF PUBLIC CONVENIENCE~~
8 ~~FROM THE PENNSYLVANIA PUBLIC UTILITY COMMISSION, THE DEPARTMENT~~
9 ~~SHALL REQUIRE EVIDENCE THAT THE CERTIFICATE HAS BEEN ISSUED AND~~
10 ~~HAS NOT BEEN REVOKED OR HAS NOT EXPIRED.~~

11 ~~(C) DESIGNATION OF LESSEE AS REGISTRANT. THE OWNER AS~~
12 ~~LESSOR MAY DESIGNATE THE LESSEE AS THE REGISTRANT OF THE VEHICLE~~
13 ~~AND THE NAME AND ADDRESS OF THE LESSEE MAY BE SUBSTITUTED ON THE~~
14 ~~REGISTRATION CARD FOR THE ADDRESS OF THE LESSOR. THE DEPARTMENT~~
15 ~~SHALL DESIGNATE THE RELATIONSHIP UPON THE CARD IN A MANNER IT~~
16 ~~DEEMS APPROPRIATE. THIS SUBSECTION IS APPLICABLE ONLY FOR THE~~
17 ~~PERIOD DURING WHICH THE LEASE REMAINS IN EFFECT.~~

18 ~~(D) SELF CERTIFICATION OF FINANCIAL RESPONSIBILITY. IN~~
19 ~~ADDITION TO THE OTHER REQUIREMENTS TO REGISTRATION, THE~~
20 ~~APPLICANT SHALL FILE A SELF CERTIFICATION OF FINANCIAL~~
21 ~~RESPONSIBILITY WHICH SHALL INCLUDE:~~

22 ~~(1) THE COMPLETE NAME, ADDRESS AND TELEPHONE NUMBER OF~~
23 ~~THE APPLICANT.~~

24 ~~(2) THE NAME OF THE INSURANCE COMPANY WHICH IS INSURING~~
25 ~~THE SUBJECT VEHICLE.~~

26 ~~(3) THE POLICY NUMBER, EFFECTIVE DATE AND EXPIRATION~~
27 ~~DATE OF THE POLICY OF INSURANCE INSURING THE VEHICLE.~~

28 ~~§ 1306. GROUNDS FOR REFUSING REGISTRATION.~~

29 ~~THE DEPARTMENT SHALL REFUSE REGISTRATION OR RENEWAL OR~~
30 ~~TRANSFER OF REGISTRATION WHEN ANY OF THE FOLLOWING CIRCUMSTANCES~~

1 EXISTS.

2 ~~(1) THE APPLICANT IS NOT ENTITLED TO REGISTRATION UNDER~~
3 ~~THE PROVISIONS OF THIS CHAPTER.~~

4 ~~(2) THE APPLICANT HAS AT REGISTRATION OR TITLING~~
5 ~~NEGLECTED OR REFUSED TO FURNISH THE DEPARTMENT WITH THE~~
6 ~~INFORMATION REQUIRED ON THE APPROPRIATE OFFICIAL FORM, OR ANY~~
7 ~~REASONABLE ADDITIONAL INFORMATION REQUIRED BY THE DEPARTMENT.~~

8 ~~(3) THE DEPARTMENT HAS REASONABLE GROUNDS TO BELIEVE~~
9 ~~THAT THE APPLICATION CONTAINS FALSE OR FRAUDULENT~~
10 ~~INFORMATION, OR THAT THE VEHICLE IS STOLEN, WHICH FACT THE~~
11 ~~DEPARTMENT SHALL ASCERTAIN BY REFERENCE TO THE STOLEN VEHICLE~~
12 ~~FILE REQUIRED TO BE MAINTAINED UNDER SECTION 7114 (RELATING~~
13 ~~TO RECORDS OF STOLEN VEHICLES), OR THAT THE GRANTING OF~~
14 ~~REGISTRATION WOULD CONSTITUTE A FRAUD AGAINST THE RIGHTFUL~~
15 ~~OWNER OR OTHER PERSON HAVING A VALID LIEN UPON THE VEHICLE.~~

16 ~~(4) THE FEES REQUIRED BY LAW HAVE NOT BEEN PAID.~~

17 ~~(5) THE VEHICLE IS NOT CONSTRUCTED OR EQUIPPED AS~~
18 ~~REQUIRED BY THIS TITLE.~~

19 ~~(6) THE REGISTRATION OF THE VEHICLE STANDS SUSPENDED FOR~~
20 ~~ANY REASON AS PROVIDED FOR IN THIS TITLE.~~

21 ~~(7) SELF CERTIFICATION OF FINANCIAL RESPONSIBILITY, AS~~
22 ~~REQUIRED UNDER SECTION 1305(D) (RELATING TO APPLICATION FOR~~
23 ~~REGISTRATION) IS NOT FILED WITH THE REGISTRATION APPLICATION.~~

24 ~~SECTION 5. TITLE 75 IS AMENDED BY ADDING A SECTION TO READ:~~
25 ~~§ 1318. DUTIES OF AGENTS.~~

26 ~~(A) VERIFICATION OF FINANCIAL RESPONSIBILITY. AN AGENT WHO~~
27 ~~IS AUTHORIZED TO ISSUE ON BEHALF OF THE DEPARTMENT A VEHICLE~~
28 ~~REGISTRATION RENEWAL OR TEMPORARY REGISTRATION SHALL BE REQUIRED~~
29 ~~TO VERIFY FINANCIAL RESPONSIBILITY PRIOR TO ISSUANCE.~~

30 ~~(B) PROOF. PROOF OF FINANCIAL RESPONSIBILITY SHALL BE~~

~~VERIFIED BY EXAMINING ONE OF THE FOLLOWING DOCUMENTS:~~

~~(1) AN IDENTIFICATION CARD AS REQUIRED BY REGULATIONS
PROMULGATED BY THE INSURANCE DEPARTMENT.~~

~~(2) THE DECLARATION PAGE OF AN INSURANCE POLICY.~~

~~(3) A CERTIFICATE OF FINANCIAL RESPONSIBILITY.~~

~~(4) A VALID BINDER OF INSURANCE ISSUED BY AN INSURANCE
COMPANY LICENSED TO SELL AUTOMOBILE LIABILITY INSURANCE IN
PENNSYLVANIA.~~

~~SECTION 6. SECTIONS 1376 AND 1540(C) OF TITLE 75 ARE AMENDED
TO READ:~~

~~§ 1376. SURRENDER OF REGISTRATION PLATES AND CARDS UPON
SUSPENSION OR REVOCATION.~~

~~(A) GENERAL RULE. THE DEPARTMENT, UPON SUSPENDING OR
REVOKING ANY REGISTRATION, SHALL REQUIRE THE REGISTRATION PLATE
OR PLATES AND REGISTRATION CARD OR CARDS TO BE SURRENDERED
IMMEDIATELY TO THE DEPARTMENT [AND].~~

~~(B) DELEGATION OF AUTHORITY. IF WITHIN 35 DAYS THE
REGISTRATION PLATES AND CARDS ARE NOT SURRENDERED UNDER
SUBSECTION (A), THE DEPARTMENT MAY DELEGATE AUTHORITY TO [ANY
AUTHORIZED DEPARTMENT EMPLOYEE, MEMBER OF THE PENNSYLVANIA STATE
POLICE OR LOCAL POLICE OFFICER TO SEIZE THE REGISTRATION PLATE
OR PLATES AND REGISTRATION CARD OR CARDS.] THE FOLLOWING PERSONS
TO SEIZE A REGISTRATION PLATE AND REGISTRATION CARD WHICH ARE
REQUIRED TO BE SURRENDERED UNDER SUBSECTION (A):~~

~~(1) A DESIGNATED DEPARTMENT EMPLOYEE.~~

~~(2) MEMBERS OF THE PENNSYLVANIA STATE POLICE.~~

~~(3) LOCAL POLICE OFFICERS.~~

~~(4) SHERIFFS OR DEPUTY SHERIFFS.~~

~~(5) CONSTABLES OR DEPUTY CONSTABLES. IF CONSTABLES AND
DEPUTY CONSTABLES ARE DELEGATED AUTHORITY TO SEIZE~~

~~REGISTRATION PLATES AND REGISTRATION CARDS UNDER THIS SECTION, THEY SHALL BE COMPENSATED BY THE DEPARTMENT AT THE RATE OF \$15 FOR EACH REGISTRATION PLATE AND CARD JOINTLY SEIZED, PLUS MILEAGE. THE DEPARTMENT SHALL PAY A CONSTABLE OR DEPUTY CONSTABLE WITHIN 30 DAYS AFTER A DOCUMENTED REQUEST FOR PAYMENT IS SUBMITTED TO IT.~~

~~(C) REGULATIONS. THE DEPARTMENT SHALL, BY REGULATION, PRESCRIBE THE MANNER OF SELECTING [THE EMPLOYEES AND STATE AND LOCAL POLICE OFFICERS] THOSE OFFICIALS WHO ARE DELEGATED AUTHORITY UNDER THIS SECTION TO SEIZE THE REGISTRATION PLATES AND REGISTRATION CARDS.~~

~~[(B)] (D) PENALTY. ANY PERSON FAILING OR REFUSING TO SURRENDER TO THE DEPARTMENT OR ITS AUTHORIZED DELEGATE, UPON DEMAND, ANY REGISTRATION PLATE OR CARD WHICH HAS BEEN SUSPENDED OR REVOKED IS GUILTY OF A SUMMARY OFFENSE AND SHALL, UPON CONVICTION, BE SENTENCED TO PAY A FINE OF [\$100] \$300, PLUS COSTS. COST SHALL INCLUDE A REASONABLE FEE FOR OFFICIAL SEIZURE OF THE UNSURRENDERED ITEMS.~~

~~§ 1540. SURRENDER OF LICENSE.~~

~~* * *~~

~~(C) SEIZURE OF REVOKED AND SUSPENDED LICENSES.~~

~~(1) THE DEPARTMENT MAY DELEGATE AUTHORITY TO [ANY AUTHORIZED DEPARTMENT EMPLOYEE, MEMBER OF THE PENNSYLVANIA STATE POLICE OR LOCAL POLICE OFFICER] THE FOLLOWING PERSONS TO SEIZE THE DRIVER'S LICENSE OF ANY PERSON [WHEN THE OPERATING PRIVILEGE OF THAT PERSON HAS BEEN REVOKED OR SUSPENDED AND HIS] WHOSE DRIVER'S LICENSE HAS BEEN ORDERED TO BE SURRENDERED BY A COURT OR DISTRICT ATTORNEY OR BY THE DEPARTMENT[.]:~~

~~(I) A DESIGNATED DEPARTMENT EMPLOYEE.~~

~~(II) MEMBERS OF THE PENNSYLVANIA STATE POLICE.~~

~~(III) LOCAL POLICE OFFICERS.~~

~~(IV) SHERIFFS OR DEPUTY SHERIFFS.~~

~~(V) CONSTABLES OR DEPUTY CONSTABLES. IF CONSTABLES AND DEPUTY CONSTABLES ARE DELEGATED AUTHORITY TO SEIZE DRIVERS' LICENSES UNDER THIS SUBSECTION, THEY SHALL BE COMPENSATED BY THE DEPARTMENT AT THE RATE OF \$15 FOR EACH DRIVER'S LICENSE SEIZED, PLUS MILEAGE. THE DEPARTMENT SHALL PAY A CONSTABLE OR DEPUTY CONSTABLE WITHIN 30 DAYS AFTER A DOCUMENTED REQUEST IS SUBMITTED TO IT.~~

~~(2) THE DEPARTMENT SHALL, BY REGULATION, PRESCRIBE THE MANNER OF SELECTING [THE EMPLOYEES AND STATE AND LOCAL POLICE OFFICERS] THOSE OFFICIALS WHO ARE DELEGATED AUTHORITY UNDER THIS SUBSECTION TO SEIZE THE DRIVERS' LICENSES.~~

~~SECTION 7. SECTION 1702 OF TITLE 75 IS AMENDED BY ADDING DEFINITIONS TO READ:~~

~~§ 1702. DEFINITIONS.~~

~~THE FOLLOWING WORDS AND PHRASES WHEN USED IN THIS CHAPTER SHALL HAVE THE MEANINGS GIVEN TO THEM IN THIS SECTION UNLESS THE CONTEXT CLEARLY INDICATES OTHERWISE:~~

~~* * *~~

~~"COMMISSIONER." THE INSURANCE COMMISSIONER OF THE COMMONWEALTH.~~

~~* * *~~

~~"NECESSARY MEDICAL TREATMENT AND REHABILITATIVE SERVICES." TREATMENT, ACCOMMODATIONS, PRODUCTS OR SERVICES WHICH ARE DETERMINED TO BE NECESSARY BY A LICENSED HEALTH CARE PROVIDER UNLESS THEY SHALL HAVE BEEN FOUND OR DETERMINED TO BE UNNECESSARY BY A STATE APPROVED PEER REVIEW ORGANIZATION (PRO).~~

~~"PEER REVIEW ORGANIZATION" OR "PRO." ANY PEER REVIEW~~

~~ORGANIZATION WITH WHICH THE FEDERAL HEALTH CARE FINANCING
ADMINISTRATION OR THE COMMONWEALTH CONTRACTS FOR MEDICAL REVIEW
OF MEDICARE OR MEDICAL ASSISTANCE SERVICES, OR ANY HEALTH CARE
REVIEW COMPANY, APPROVED BY THE COMMISSIONER, THAT ENGAGES IN
PEER REVIEW FOR THE PURPOSE OF DETERMINING THAT MEDICAL AND
REHABILITATION SERVICES ARE MEDICALLY NECESSARY AND ECONOMICALLY
PROVIDED. THE MEMBERSHIP OF ANY PRO UTILIZED IN CONNECTION WITH
THE ACT SHALL INCLUDE REPRESENTATION FROM THE PROFESSION WHOSE
SERVICES ARE SUBJECT TO THE REVIEW.~~

~~* * *~~

~~SECTION 8. SECTIONS 1711, 1712, 1715(A), 1718(C), 1722 AND
1731 OF TITLE 75 ARE AMENDED TO READ:~~

~~§ 1711. REQUIRED BENEFITS.~~

~~(A) MEDICAL BENEFIT. AN INSURER ISSUING OR DELIVERING
LIABILITY INSURANCE POLICIES COVERING ANY MOTOR VEHICLE OF THE
TYPE REQUIRED TO BE REGISTERED UNDER THIS TITLE, EXCEPT
RECREATIONAL VEHICLES NOT INTENDED FOR HIGHWAY USE, MOTORCYCLES,
MOTOR DRIVEN CYCLES OR MOTORIZED PEDALCYCLES OR LIKE TYPE
VEHICLES, REGISTERED AND OPERATED IN THIS COMMONWEALTH, SHALL
INCLUDE COVERAGE PROVIDING A MEDICAL BENEFIT IN THE AMOUNT OF
{\$10,000, AN INCOME LOSS BENEFIT UP TO A MONTHLY MAXIMUM OF
\$1,000 UP TO A MAXIMUM BENEFIT OF \$5,000 AND A FUNERAL BENEFIT
IN THE AMOUNT OF \$1,500, AS DEFINED IN SECTION 1712 (RELATING TO
AVAILABILITY OF BENEFITS), WITH RESPECT TO INJURY ARISING OUT OF
THE MAINTENANCE OR USE OF A MOTOR VEHICLE. THE INCOME LOSS
BENEFIT PROVIDED UNDER THIS SECTION MAY BE EXPRESSLY WAIVED BY
THE NAMED INSURED PROVIDED THE NAMED INSURED HAS NO EXPECTATION
OF ACTUAL INCOME LOSS DUE TO AGE, DISABILITY OR LACK OF
EMPLOYMENT HISTORY. AT THE ELECTION OF THE NAMED INSURED, SUCH
POLICY SHALL ALSO INCLUDE AN EXTRAORDINARY MEDICAL BENEFIT AS~~

~~DESCRIBED IN SECTION 1715(A)(1.1) AND (D) (RELATING TO
AVAILABILITY OF ADEQUATE LIMITS).] \$5,000.~~

~~(B) MINIMUM POLICY. ALL INSURERS SUBJECT TO THIS CHAPTER
SHALL MAKE AVAILABLE FOR PURCHASE AN AUTOMOBILE INSURANCE POLICY
WHICH CONTAINS ONLY THE MINIMUM REQUIREMENTS OF FINANCIAL
RESPONSIBILITY AND MEDICAL BENEFITS AS PROVIDED FOR IN THIS
CHAPTER.~~

~~§ 1712. AVAILABILITY OF BENEFITS.~~

~~AN INSURER ISSUING OR DELIVERING LIABILITY INSURANCE POLICIES
COVERING ANY MOTOR VEHICLE OF THE TYPE REQUIRED TO BE REGISTERED
UNDER THIS TITLE, EXCEPT RECREATIONAL VEHICLES NOT INTENDED FOR
HIGHWAY USE, MOTORCYCLES, MOTOR DRIVEN CYCLES OR MOTORIZED
PEDALCYCLES OR LIKE TYPE VEHICLES, REGISTERED AND OPERATED IN
THIS COMMONWEALTH, SHALL MAKE AVAILABLE FOR PURCHASE FIRST PARTY
BENEFITS AND UNINSURED AND UNDERINSURED MOTORIST COVERAGE WITH
RESPECT TO INJURY ARISING OUT OF THE MAINTENANCE OR USE OF A
MOTOR VEHICLE AS FOLLOWS:~~

~~(1) MEDICAL BENEFIT. [COVERAGE] SUBJECT TO THE
LIMITATIONS OF SECTION 1797 (RELATING TO CUSTOMARY CHARGES
FOR TREATMENT), COVERAGE TO PROVIDE FOR REASONABLE AND
NECESSARY MEDICAL TREATMENT AND REHABILITATIVE SERVICES,
INCLUDING, BUT NOT LIMITED TO, HOSPITAL, DENTAL, SURGICAL,
PSYCHIATRIC, PSYCHOLOGICAL, OSTEOPATHIC, AMBULANCE,
CHIROPRACTIC, LICENSED PHYSICAL THERAPY, NURSING SERVICES,
VOCATIONAL REHABILITATION AND OCCUPATIONAL THERAPY, SPEECH
PATHOLOGY AND AUDIOLOGY, OPTOMETRIC SERVICES, MEDICATIONS,
MEDICAL SUPPLIES AND PROSTHETIC DEVICES, ALL WITHOUT
LIMITATION AS TO TIME, PROVIDED THAT, WITHIN 18 MONTHS FROM
THE DATE OF THE ACCIDENT CAUSING INJURY, IT IS ASCERTAINABLE
WITH REASONABLE MEDICAL PROBABILITY THAT FURTHER EXPENSES MAY~~

1 ~~BE INCURRED AS A RESULT OF THE INJURY. BENEFITS UNDER THIS~~
2 ~~PARAGRAPH MAY INCLUDE ANY NONMEDICAL REMEDIAL CARE AND~~
3 ~~TREATMENT RENDERED IN ACCORDANCE WITH A RECOGNIZED RELIGIOUS~~
4 ~~METHOD OF HEALING.~~

5 ~~(2) INCOME LOSS BENEFIT. INCLUDES THE FOLLOWING:~~

6 ~~(I) EIGHTY PERCENT OF ACTUAL LOSS OF GROSS INCOME.~~

7 ~~(II) REASONABLE EXPENSES ACTUALLY INCURRED FOR~~
8 ~~HIRING A SUBSTITUTE TO PERFORM SELF EMPLOYMENT SERVICES~~
9 ~~THEREBY MITIGATING LOSS OF GROSS INCOME OR FOR HIRING~~
10 ~~SPECIAL HELP THEREBY ENABLING A PERSON TO WORK AND~~
11 ~~MITIGATE LOSS OF GROSS INCOME.~~

12 ~~INCOME LOSS DOES NOT INCLUDE LOSS OF EXPECTED INCOME FOR ANY~~
13 ~~PERIOD FOLLOWING THE DEATH OF AN INDIVIDUAL OR EXPENSES~~
14 ~~INCURRED FOR SERVICES PERFORMED FOLLOWING THE DEATH OF AN~~
15 ~~INDIVIDUAL. INCOME LOSS SHALL NOT COMMENCE UNTIL FIVE WORKING~~
16 ~~DAYS HAVE BEEN LOST AFTER THE DATE OF THE ACCIDENT. THE TOTAL~~
17 ~~PREMIUM FOR ALL FIRST PARTY COVERAGES FOR AN INSURED WHO~~
18 ~~ELECTS NOT TO PURCHASE AN INCOME LOSS BENEFIT SHALL BE~~
19 ~~REDUCED BY AT LEAST 15%.~~

20 ~~(3) ACCIDENTAL DEATH BENEFIT. A DEATH BENEFIT PAID TO~~
21 ~~THE PERSONAL REPRESENTATIVE OF THE INSURED, SHOULD INJURY~~
22 ~~RESULTING FROM A MOTOR VEHICLE ACCIDENT CAUSE DEATH WITHIN 24~~
23 ~~MONTHS FROM THE DATE OF THE ACCIDENT.~~

24 ~~(4) FUNERAL BENEFIT. EXPENSES DIRECTLY RELATED TO THE~~
25 ~~FUNERAL, BURIAL, CREMATION OR OTHER FORM OF DISPOSITION OF~~
26 ~~THE REMAINS OF A DECEASED INDIVIDUAL, INCURRED AS A RESULT~~
27 ~~OF THE DEATH OF THE INDIVIDUAL AS A RESULT OF THE ACCIDENT~~
28 ~~AND WITHIN 24 MONTHS FROM THE DATE OF THE ACCIDENT. THE TOTAL~~
29 ~~PREMIUM FOR ALL FIRST PARTY COVERAGES FOR AN INSURED WHO~~
30 ~~ELECTS NOT TO PURCHASE A FUNERAL BENEFIT SHALL BE REDUCED BY~~

~~AT LEAST 1%.~~

~~(5) COMBINATION BENEFIT. A COMBINATION OF BENEFITS DESCRIBED IN PARAGRAPHS (1) THROUGH (4) AS AN ALTERNATIVE TO THE SEPARATE PURCHASE OF THOSE BENEFITS.~~

~~(6) UNINSURED AND UNDERINSURED MOTORIST COVERAGE.~~

~~(7) EXTRAORDINARY MEDICAL BENEFITS. MEDICAL BENEFITS, AS DEFINED IN PARAGRAPH (1), WHICH EXCEED \$100,000.~~

~~§ 1715. AVAILABILITY OF ADEQUATE LIMITS.~~

~~(A) GENERAL RULE. AN INSURER SHALL MAKE AVAILABLE FOR PURCHASE FIRST PARTY BENEFITS AND UNINSURED AND UNDERINSURED MOTORIST COVERAGE AS FOLLOWS:~~

~~(1) FOR MEDICAL BENEFITS, UP TO AT LEAST \$100,000.~~

~~(1.1) FOR EXTRAORDINARY MEDICAL BENEFITS, FROM \$100,000 TO \$1,100,000, WHICH MAY BE OFFERED IN INCREMENTS OF \$100,000, AS LIMITED BY SUBSECTION (D).~~

~~(2) FOR INCOME LOSS BENEFITS, UP TO AT LEAST \$2,500 PER MONTH UP TO A MAXIMUM BENEFIT OF AT LEAST \$50,000.~~

~~(3) FOR ACCIDENTAL DEATH BENEFITS, UP TO AT LEAST \$25,000.~~

~~(4) FOR FUNERAL BENEFITS, \$2,500.~~

~~(5) FOR COMBINATION OF BENEFITS ENUMERATED IN PARAGRAPHS (1) THROUGH (4) AND SUBJECT TO A LIMIT ON THE ACCIDENTAL DEATH BENEFIT OF UP TO \$25,000 AND A LIMIT ON THE FUNERAL BENEFIT OF \$2,500, UP TO AT LEAST [\$277,500] \$177,500 OF BENEFITS IN THE AGGREGATE OR BENEFITS PAYABLE UP TO THREE YEARS FROM THE DATE OF THE ACCIDENT, WHICHEVER OCCURS FIRST, PROVIDED THAT NOTHING CONTAINED IN THIS SUBSECTION SHALL BE CONSTRUED TO LIMIT, REDUCE, MODIFY OR CHANGE THE PROVISIONS OF SUBSECTION (D).~~

~~(6) UNINSURED AND UNDERINSURED MOTORIST COVERAGE IN~~

~~AMOUNTS EQUAL TO OR LESS THAN THE MOTOR VEHICLE LIABILITY
INSURANCE REQUIRED UNDER THIS CHAPTER.~~

~~* * *~~

~~§ 1718. EXCLUSION FROM BENEFITS.~~

~~* * *~~

~~(C) NAMED DRIVER EXCLUSION. AN INSURER OR THE FIRST NAMED
INSURED MAY EXCLUDE ANY [INSURED] PERSON OR HIS PERSONAL
REPRESENTATIVE FROM BENEFITS UNDER A POLICY ENUMERATED IN
SECTION 1711 OR 1712 WHEN [THE INSURED] ANY OF THE FOLLOWING
APPLY:~~

~~(1) THE PERSON IS EXCLUDED FROM COVERAGE WHILE OPERATING
A MOTOR VEHICLE IN ACCORDANCE WITH THE ACT OF JUNE 5, 1968
(P.L.140, NO.78), RELATING TO THE WRITING, CANCELLATION OF OR
REFUSAL TO RENEW POLICIES OF AUTOMOBILE INSURANCE.~~

~~(2) THE FIRST NAMED INSURED HAS REQUESTED THAT THE
PERSON BE EXCLUDED FROM COVERAGE WHILE OPERATING A MOTOR
VEHICLE. THIS PARAGRAPH SHALL ONLY APPLY IF THE EXCLUDED
PERSON IS INSURED ON ANOTHER POLICY OF MOTOR VEHICLE
LIABILITY INSURANCE.~~

~~§ 1722. PRECLUSION OF PLEADING, PROVING AND RECOVERING REQUIRED
BENEFITS.~~

~~IN ANY ACTION FOR DAMAGES AGAINST A TORTFEASOR ARISING OUT OF
THE MAINTENANCE OR USE OF A MOTOR VEHICLE, A PERSON WHO IS
ELIGIBLE TO RECEIVE BENEFITS UNDER THE COVERAGES SET FORTH IN
[SECTION 1711 (RELATING TO REQUIRED BENEFITS) OR THE COVERAGE
SET FORTH IN SECTION 1715(A)(1.1) (RELATING TO AVAILABILITY OF
ADEQUATE LIMITS)] THIS SUBCHAPTER SHALL BE PRECLUDED FROM
PLEADING, INTRODUCING INTO EVIDENCE OR RECOVERING THE AMOUNT OF
BENEFITS PAID OR PAYABLE UNDER [SECTION 1711 OR 1715(A)(1.1).
THIS PRECLUSION APPLIES ONLY TO THE AMOUNT OF BENEFITS SET FORTH~~

~~IN SECTIONS 1711 AND 1715(A)(1.1)] THIS SUBCHAPTER.~~

~~§ 1731. [SCOPE] AVAILABILITY, SCOPE AND AMOUNT OF COVERAGE.~~

~~(A) [GENERAL RULE] MANDATORY AVAILABILITY. NO MOTOR VEHICLE LIABILITY INSURANCE POLICY SHALL BE DELIVERED OR ISSUED FOR DELIVERY IN THIS COMMONWEALTH, WITH RESPECT TO ANY MOTOR VEHICLE REGISTERED OR PRINCIPALLY GARAGED IN THIS COMMONWEALTH, UNLESS UNINSURED MOTORIST AND UNDERINSURED MOTORIST COVERAGES ARE [PROVIDED] MADE AVAILABLE THEREIN OR SUPPLEMENTAL THERETO IN AMOUNTS EQUAL TO THE BODILY INJURY LIABILITY COVERAGE EXCEPT AS PROVIDED IN SECTION 1734 (RELATING TO REQUEST FOR LOWER [OR HIGHER] LIMITS OF COVERAGE). PURCHASE OF UNINSURED MOTORIST AND UNDERINSURED MOTORIST COVERAGES IS OPTIONAL, PROVIDED THAT THE TOTAL PREMIUM FOR ALL FIRST PARTY COVERAGES FOR AN INSURED WHO ELECTS NOT TO PURCHASE UNINSURED AND UNDERINSURED MOTORIST COVERAGE BENEFIT SHALL BE REDUCED BY AT LEAST 35%.~~

~~(B) UNINSURED MOTORIST COVERAGE. UNINSURED MOTORIST COVERAGE SHALL PROVIDE PROTECTION FOR PERSONS WHO SUFFER INJURY ARISING OUT OF THE MAINTENANCE OR USE OF A MOTOR VEHICLE AND ARE LEGALLY ENTITLED TO RECOVER DAMAGES THEREFOR FROM OWNERS OR OPERATORS OF UNINSURED MOTOR VEHICLES. THE INSURED MAY REJECT UNINSURED MOTORIST COVERAGE BY SIGNING THE FOLLOWING WRITTEN REJECTION FORM.~~

~~REJECTION OF UNINSURED MOTORIST PROTECTION~~

~~BY SIGNING THIS WAIVER I AM REJECTING UNINSURED MOTORIST COVERAGE UNDER THIS POLICY, FOR MYSELF AND ALL RELATIVES RESIDING IN MY HOUSEHOLD. UNINSURED COVERAGE PROTECTS ME AND RELATIVES LIVING IN MY HOUSEHOLD FOR LOSSES AND DAMAGES SUFFERED IF INJURY IS CAUSED BY THE NEGLIGENCE OF A DRIVER WHO DOES NOT HAVE ANY INSURANCE TO PAY FOR LOSSES AND DAMAGES. I KNOWINGLY AND VOLUNTARILY REJECT THIS COVERAGE.~~

1
2 SIGNATURE OF FIRST NAMED INSURED
3

4 DATE

5 ~~(C) UNDERINSURED MOTORIST COVERAGE. UNDERINSURED MOTORIST~~
6 ~~COVERAGE SHALL PROVIDE PROTECTION FOR PERSONS WHO SUFFER INJURY~~
7 ~~ARISING OUT OF THE MAINTENANCE OR USE OF A MOTOR VEHICLE AND ARE~~
8 ~~LEGALLY ENTITLED TO RECOVER DAMAGES THEREFOR FROM OWNERS OR~~
9 ~~OPERATORS OF UNDERINSURED MOTOR VEHICLES. THE INSURED MAY REJECT~~
10 ~~UNDERINSURED MOTORIST COVERAGE BY SIGNING THE FOLLOWING WRITTEN~~
11 ~~REJECTION FORM.~~

12 REJECTION OF UNDERINSURED MOTORIST PROTECTION

13 BY SIGNING THIS WAIVER I AM REJECTING UNDERINSURED MOTORIST
14 COVERAGE UNDER THIS POLICY, FOR MYSELF AND ALL RELATIVES
15 RESIDING IN MY HOUSEHOLD. UNDERINSURED COVERAGE PROTECTS ME AND
16 RELATIVES LIVING IN MY HOUSEHOLD FOR LOSSES AND DAMAGES SUFFERED
17 IF INJURY IS CAUSED BY THE NEGLIGENCE OF A DRIVER WHO DOES NOT
18 HAVE ENOUGH INSURANCE TO PAY FOR ALL LOSSES AND DAMAGES. I
19 KNOWINGLY AND VOLUNTARILY REJECT THIS COVERAGE.

20
21 SIGNATURE OF FIRST NAMED INSURED
22

23 DATE

24 ~~(C.1) FORM OF WAIVER. INSURERS SHALL PRINT THE REJECTION~~
25 ~~FORMS REQUIRED BY SUBSECTIONS (B) AND (C) ON SEPARATE SHEETS IN~~
26 ~~PROMINENT TYPE AND LOCATION. THE FORMS MUST BE SIGNED BY THE~~
27 ~~FIRST NAMED INSURED AND DATED TO BE VALID. THE SIGNATURES ON THE~~
28 ~~FORMS MAY BE WITNESSED BY AN INSURANCE AGENT OR BROKER. ANY~~
29 ~~REJECTION FORM THAT DOES NOT SPECIFICALLY COMPLY WITH THIS~~
30 ~~SECTION IS VOID. IF THE INSURER FAILS TO PRODUCE A VALID~~

~~REJECTION FORM, UNINSURED OR UNDERINSURED COVERAGE, OR BOTH, AS
THE CASE MAY BE, UNDER THAT POLICY SHALL BE EQUAL TO THE BODILY
INJURY LIABILITY LIMITS. ON POLICIES IN WHICH EITHER UNINSURED
OR UNDERINSURED COVERAGE HAS BEEN REJECTED, THE POLICY RENEWALS
MUST CONTAIN NOTICE IN PROMINENT TYPE THAT THE POLICY DOES NOT
PROVIDE PROTECTION AGAINST DAMAGES CAUSED BY UNINSURED OR
UNDERINSURED MOTORISTS.~~

~~(D) LIMITATION ON RECOVERY. A PERSON WHO RECOVERS DAMAGES
UNDER UNINSURED MOTORIST COVERAGE OR COVERAGES CANNOT RECOVER
DAMAGES UNDER UNDERINSURED MOTORIST COVERAGE OR COVERAGES FOR
THE SAME ACCIDENT.~~

~~SECTION 9. SECTION 1732 OF TITLE 75 IS REPEALED.~~

~~SECTION 10. SECTIONS 1733 AND 1734 OF TITLE 75 ARE AMENDED
TO READ:~~

~~§ 1733. PRIORITY OF RECOVERY.~~

~~(A) GENERAL RULE. WHERE MULTIPLE POLICIES APPLY, PAYMENT
SHALL BE MADE IN THE FOLLOWING ORDER OF PRIORITY:~~

~~(1) A POLICY COVERING A MOTOR VEHICLE OCCUPIED BY THE
INJURED PERSON AT THE TIME OF THE ACCIDENT.~~

~~(2) A POLICY COVERING A MOTOR VEHICLE NOT INVOLVED IN
THE ACCIDENT WITH RESPECT TO WHICH THE INJURED PERSON IS AN
INSURED.~~

~~(B) MULTIPLE SOURCES OF EQUAL PRIORITY. THE INSURER AGAINST
WHOM A CLAIM IS ASSERTED FIRST UNDER THE PRIORITIES SET FORTH IN
SUBSECTION (A) SHALL PROCESS AND PAY THE CLAIM AS IF WHOLLY
RESPONSIBLE. THE INSURER IS THEREAFTER ENTITLED TO RECOVER
CONTRIBUTION PRO RATA FROM ANY OTHER INSURER FOR THE BENEFITS
PAID AND THE COSTS OF PROCESSING THE CLAIM.~~

~~§ 1734. REQUEST FOR LOWER [OR HIGHER] LIMITS OF COVERAGE.~~

~~A NAMED INSURED MAY REQUEST IN WRITING THE ISSUANCE OF~~

1 ~~COVERAGES UNDER SECTION 1731 (RELATING TO AVAILABILITY, SCOPE~~
2 ~~AND AMOUNT OF COVERAGE) IN AMOUNTS EQUAL TO OR LESS THAN THE~~
3 ~~LIMITS OF LIABILITY FOR BODILY INJURY. [BUT IN NO EVENT LESS~~
4 ~~THAN THE AMOUNTS REQUIRED BY THIS CHAPTER FOR BODILY INJURY. IF~~
5 ~~THE NAMED INSURED HAS SELECTED UNINSURED AND UNDERINSURED~~
6 ~~MOTORIST COVERAGE IN CONNECTION WITH A POLICY PREVIOUSLY ISSUED~~
7 ~~TO HIM BY THE SAME INSURER UNDER SECTION 1731, THE COVERAGES~~
8 ~~OFFERED NEED NOT BE PROVIDED IN EXCESS OF THE LIMITS OF~~
9 ~~LIABILITY PREVIOUSLY ISSUED FOR UNINSURED AND UNDERINSURED~~
10 ~~MOTORIST COVERAGE UNLESS THE NAMED INSURED REQUESTS IN WRITING~~
11 ~~HIGHER LIMITS OF LIABILITY FOR THOSE COVERAGES.]~~

12 ~~SECTION 11. TITLE 75 IS AMENDED BY ADDING SECTIONS TO READ:~~
13 ~~§ 1737. RIGHTS TO PAYMENT.~~

14 ~~(A) SUBROGATION. IN CLAIMS ARISING OUT OF THE MAINTENANCE~~
15 ~~OR USE OF AN UNDERINSURED MOTOR VEHICLE, THERE SHALL BE NO RIGHT~~
16 ~~OF SUBROGATION BY AN INSURER WITH RESPECT TO THE PAYMENT OF~~
17 ~~UNDERINSURED MOTORIST BENEFITS.~~

18 ~~(B) CONDITION TO PAYMENT. NO POLICY OF INSURANCE SHALL~~
19 ~~REQUIRE, AS A CONDITION TO THE PAYMENT OF UNDERINSURED MOTORIST~~
20 ~~BENEFITS, THE PRIOR CONSENT OF THE INSURER TO THE SETTLEMENT OF~~
21 ~~A BODILY INJURY CLAIM WITH ANY PERSON.~~

22 ~~§ 1738. STACKING OF UNINSURED AND UNDERINSURED BENEFITS.~~

23 ~~WHEN MULTIPLE VEHICLES ARE INSURED UNDER ONE OR MORE POLICIES~~
24 ~~OF INSURANCE, THE STATED LIMIT SHALL APPLY SEPARATELY TO EACH~~
25 ~~VEHICLE. THE LIMITS OF COVERAGE AVAILABLE UNDER THIS SUBCHAPTER~~
26 ~~FOR AN INSURED SHALL BE THE SUM OF THE LIMITS FOR EACH MOTOR~~
27 ~~VEHICLE AS TO WHICH THE INJURED PERSON IS AN INSURED.~~

28 ~~SECTION 12. SECTION 1753 OF TITLE 75 IS AMENDED TO READ:~~
29 ~~§ 1753. BENEFITS AVAILABLE.~~

30 ~~AN ELIGIBLE CLAIMANT MAY RECOVER MEDICAL BENEFITS, AS~~

1 ~~DESCRIBED IN SECTION 1712(1) (RELATING TO AVAILABILITY OF~~
2 ~~BENEFITS), UP TO A MAXIMUM OF \$5,000. NO INCOME LOSS BENEFIT OR~~
3 ~~ACCIDENTAL DEATH BENEFIT SHALL BE PAYABLE UNDER THIS SUBCHAPTER.~~
4 ~~{FUNERAL EXPENSES, AS DESCRIBED IN SECTION 1712(4), IN THE~~
5 ~~AMOUNT OF \$1,500 SHALL BE RECOVERABLE AS AN OFFSET TO THE~~
6 ~~MAXIMUM AMOUNT OF MEDICAL BENEFITS AVAILABLE UNDER THIS~~
7 ~~SECTION.}~~

8 ~~SECTION 13. SECTION 1782 OF TITLE 75 IS AMENDED BY ADDING A~~
9 ~~SUBSECTION TO READ:~~

10 ~~§ 1782. MANNER OF PROVIDING PROOF OF FINANCIAL RESPONSIBILITY.~~

11 ~~* * *~~

12 ~~(D) FINANCIAL RESPONSIBILITY IDENTIFICATION CARDS. INSURERS~~
13 ~~SHALL PROVIDE FINANCIAL RESPONSIBILITY IDENTIFICATION CARDS TO~~
14 ~~INSURED WHICH SHALL BE VALID ONLY FOR THE PERIOD FOR WHICH~~
15 ~~COVERAGE HAS BEEN PAID BY THE INSURED. FINANCIAL RESPONSIBILITY~~
16 ~~IDENTIFICATION CARDS SHALL DISCLOSE THE PERIOD FOR WHICH~~
17 ~~COVERAGE HAS BEEN PAID BY THE INSURED AND SHALL CONTAIN SUCH~~
18 ~~OTHER INFORMATION AS REQUIRED BY THE INSURANCE DEPARTMENT. IN~~
19 ~~SUCH INSTANCE WHERE THE INSURED HAS FINANCED PREMIUMS THROUGH A~~
20 ~~PREMIUM FINANCE COMPANY OR WHERE THE INSURED IS ON AN INSURER~~
21 ~~SPONSORED OR AGENCY SPONSORED PAYMENT PLAN, FINANCIAL~~
22 ~~RESPONSIBILITY IDENTIFICATION CARDS MAY BE ISSUED FOR PERIODS OF~~
23 ~~SIX MONTHS EVEN THOUGH SUCH PAYMENT BY THE INSURED MAY BE FOR A~~
24 ~~PERIOD OF LESS THAN SIX MONTHS. NOTHING IN THIS PARAGRAPH SHALL~~
25 ~~BE CONSTRUED TO REQUIRE THE IMMEDIATE ISSUANCE OF FINANCIAL~~
26 ~~RESPONSIBILITY IDENTIFICATION CARDS WHERE AN INSURED REPLACES AN~~
27 ~~INSURED VEHICLE, ADDS A VEHICLE, OR INCREASES COVERAGES UNDER AN~~
28 ~~EXISTING POLICY FOR WHICH A PREMIUM ADJUSTMENT IS REQUIRED.~~

29 ~~SECTION 14. SECTIONS 1786 AND 1791 OF TITLE 75 ARE AMENDED~~
30 ~~TO READ:~~

~~§ 1786. [SELF CERTIFICATION OF] REQUIRED FINANCIAL
RESPONSIBILITY.~~

~~(A) SELF CERTIFICATION. THE DEPARTMENT OF TRANSPORTATION
SHALL REQUIRE THAT EACH MOTOR VEHICLE REGISTRANT CERTIFY THAT
THE REGISTRANT IS FINANCIALLY RESPONSIBLE AT THE TIME OF
REGISTRATION OR RENEWAL THEREOF. THE DEPARTMENT SHALL REFUSE TO
REGISTER OR RENEW THE REGISTRATION OF A VEHICLE FOR FAILURE TO
COMPLY WITH THIS REQUIREMENT OR FALSIFICATION OF SELF
CERTIFICATION.~~

~~(B) CONSENT TO PRODUCE PROOF OF FINANCIAL RESPONSIBILITY.
UPON REGISTERING A MOTOR VEHICLE OR RENEWING A MOTOR VEHICLE
REGISTRATION, THE OWNER OF THE MOTOR VEHICLE SHALL BE DEEMED TO
HAVE GIVEN CONSENT TO PRODUCE PROOF TO THE DEPARTMENT OF
TRANSPORTATION OR A POLICE OFFICER THAT THE VEHICLE REGISTRANT
HAS THE FINANCIAL RESPONSIBILITY REQUIRED BY THIS CHAPTER.~~

~~(C) SUSPENSION OF REGISTRATION AND OPERATING PRIVILEGE. THE
DEPARTMENT OF TRANSPORTATION SHALL SUSPEND OR REVOKE THE
REGISTRATION OF A VEHICLE IF IT DETERMINES THE REQUIRED
FINANCIAL RESPONSIBILITY HAS NOT BEEN SECURED AS REQUIRED BY
THIS CHAPTER AND MAY SUSPEND THE OPERATING PRIVILEGE OF THE
REGISTRANT. THE OPERATING PRIVILEGE SHALL NOT BE RESTORED UNTIL
PROOF OF FINANCIAL RESPONSIBILITY IS SUBMITTED, TOGETHER WITH
THE RESTORATION FEE FOR OPERATING PRIVILEGE PROVIDED BY SECTION
1960 (RELATING TO REINSTATEMENT OF OPERATING PRIVILEGE OR
VEHICLE REGISTRATION). WHENEVER THE DEPARTMENT REVOKES OR
SUSPENDS THE REGISTRATION OF ANY VEHICLE UNDER THIS CHAPTER, THE
DEPARTMENT SHALL NOT RESTORE THE REGISTRATION UNTIL THE VEHICLE
OWNER FURNISHES PROOF OF FINANCIAL RESPONSIBILITY IN A MANNER
DETERMINED BY THE DEPARTMENT AND SUBMITS AN APPLICATION FOR
REGISTRATION TO THE DEPARTMENT, ACCOMPANIED BY THE FEE FOR~~

~~RESTORATION OF REGISTRATION PROVIDED BY SECTION 1960.~~

~~(D) OBLIGATIONS UPON TERMINATION OF FINANCIAL
RESPONSIBILITY.~~

~~(1) AN OWNER OF A MOTOR VEHICLE WHO CEASES TO MAINTAIN
FINANCIAL RESPONSIBILITY ON A REGISTERED VEHICLE SHALL NOT
OPERATE OR PERMIT OPERATION OF THE VEHICLE IN THIS
COMMONWEALTH UNTIL PROOF OF THE REQUIRED FINANCIAL
RESPONSIBILITY HAS BEEN PROVIDED TO THE DEPARTMENT OF
TRANSPORTATION.~~

~~(2) AN INSURER WHO HAS ISSUED A CONTRACT OF MOTOR
VEHICLE LIABILITY INSURANCE, OR ANY APPROVED SELF INSURANCE
ENTITY, SHALL NOTIFY THE DEPARTMENT IN A TIMELY MANNER AND IN
A METHOD PRESCRIBED BY THE DEPARTMENT'S REGULATIONS.~~

~~(3) AN INSURER WHO HAS ISSUED A CONTRACT OF MOTOR
VEHICLE LIABILITY INSURANCE AND KNOWS OR HAS REASON TO
BELIEVE THAT THE CONTRACT IS FOR THE PURPOSE OF PROVIDING
PROOF OF FINANCIAL RESPONSIBILITY SHALL NOTIFY THE DEPARTMENT
IF THE INSURANCE HAS BEEN CANCELED OR TERMINATED BY THE
INSURED OR BY THE INSURER. THE INSURER SHALL NOTIFY THE
DEPARTMENT NOT LATER THAN TEN DAYS FOLLOWING THE EFFECTIVE
DATE OF THE CANCELLATION OR TERMINATION.~~

~~(4) A PERSON WHO, AFTER MAINTAINING FINANCIAL
RESPONSIBILITY ON THE VEHICLE OF ANOTHER PERSON, CEASES TO
MAINTAIN SUCH FINANCIAL RESPONSIBILITY SHALL IMMEDIATELY
NOTIFY THE VEHICLE'S OWNER, WHO SHALL NOT OPERATE, OR PERMIT
OPERATION OF, THE VEHICLE IN THIS COMMONWEALTH.~~

~~(5) IN THE CASE OF A PERSON WHO LEASES ANY MOTOR VEHICLE
FROM A PERSON ENGAGED IN THE BUSINESS OF LEASING MOTOR
VEHICLES, THE LESSEE SHALL SIGN A STATEMENT INDICATING THAT
THE REQUIRED FINANCIAL RESPONSIBILITY HAS BEEN PROVIDED~~

~~THROUGH THE LESSOR OR THROUGH THE LESSEE'S MOTOR VEHICLE
LIABILITY INSURANCE POLICY COVERAGE. THE LESSEE SHALL SUBMIT
THE STATEMENT TO THE LESSOR.~~

~~(E) OPERATION OF A MOTOR VEHICLE WITHOUT REQUIRED FINANCIAL
RESPONSIBILITY. ANY OWNER OF A MOTOR VEHICLE FOR WHICH THE
EXISTENCE OF FINANCIAL RESPONSIBILITY IS A REQUIREMENT FOR ITS
LEGAL OPERATION SHALL NOT OPERATE THE MOTOR VEHICLE OR PERMIT IT
TO BE OPERATED UPON A HIGHWAY OF THIS COMMONWEALTH WITHOUT THE
FINANCIAL RESPONSIBILITY REQUIRED BY THIS CHAPTER AND SHALL,
UPON REQUEST OF A POLICE OFFICER OR THE DEPARTMENT, PRODUCE
PROOF OF FINANCIAL RESPONSIBILITY ON A FORM PROVIDED BY THE
DEPARTMENT. ANY PERSON WHO FAILS TO COMPLY WITH THIS SUBSECTION
COMMITTS A SUMMARY OFFENSE AND SHALL, UPON CONVICTION, BE
SENTENCED TO PAY A FINE OF \$300; AND THE DEPARTMENT SHALL
SUSPEND THE OPERATING PRIVILEGE OF THE PERSON FOR 30 DAYS.~~

~~(F) TIME LIMIT TO PRODUCE PROOF. FAILURE OF A REGISTERED
VEHICLE OWNER TO PROVIDE PROOF OF FINANCIAL RESPONSIBILITY IN A
FORM AUTHORIZED BY INSURANCE DEPARTMENT REGULATION WITHIN 15
DAYS OF A REQUEST BY THE DEPARTMENT FOR THE PROOF PROVIDED FOR
IN SUBSECTION (E) SHALL SUBJECT THE OWNER TO AN ADDITIONAL CIVIL
PENALTY OF \$200 AND TO A THREE MONTH REVOCATION OF VEHICLE
REGISTRATION.~~

~~(G) DEFENSES.~~

~~(1) NO PERSON SHALL BE CONVICTED OF FAILING TO PRODUCE
PROOF OF FINANCIAL RESPONSIBILITY UNDER SECTION 3743
(RELATING TO ACCIDENTS INVOLVING DAMAGE TO ATTENDED VEHICLE
OR PROPERTY) OR 6308 (RELATING TO INVESTIGATION BY POLICE
OFFICERS), IF THE PERSON PRODUCES, AT THE OFFICE OF THE
ISSUING AUTHORITY WITHIN FIVE DAYS OF THE DATE OF THE
VIOLATION, PROOF THAT HE POSSESSED THE REQUIRED FINANCIAL~~

~~RESPONSIBILITY AT THE TIME OF THE VIOLATION.~~

~~(2) NO PERSON SHALL BE PENALIZED FOR MAINTAINING A
REGISTERED MOTOR VEHICLE WITHOUT FINANCIAL RESPONSIBILITY
UNDER SUBSECTION (C) IF THE REGISTRATION AND LICENSE PLATES
WERE SURRENDERED TO THE DEPARTMENT OF TRANSPORTATION AT THE
TIME INSURANCE COVERAGE TERMINATED OR FINANCIAL
RESPONSIBILITY LAPSED.~~

~~(H) LACK OF KNOWLEDGE. NO PERSON, OTHER THAN A REGISTRANT,
WHO PROVES THAT HE WAS AUTHORIZED TO DRIVE THE VEHICLE AND THAT
HE DID NOT KNOW AND HAD NO REASON TO BELIEVE THAT THE REQUIRED
FINANCIAL RESPONSIBILITY HAD NOT BEEN PROVIDED SHALL BE
CONVICTED OF FAILING TO PRODUCE PROOF OF FINANCIAL
RESPONSIBILITY AS REQUIRED UNDER THIS SECTION. IN SUCH CASE,
HOWEVER, THE REGISTRANT MAY BE CHARGED WITH A VIOLATION.~~

~~§ 1791. NOTICE OF AVAILABLE BENEFITS AND LIMITS.~~

~~IT SHALL BE PRESUMED THAT THE INSURED HAS BEEN ADVISED OF THE
BENEFITS AND LIMITS AVAILABLE UNDER THIS CHAPTER PROVIDED THE
FOLLOWING NOTICE IN BOLD PRINT OF AT LEAST TEN POINT TYPE IS
GIVEN TO THE APPLICANT AT THE TIME OF APPLICATION FOR ORIGINAL
COVERAGE [OR AT THE TIME OF THE FIRST RENEWAL AFTER OCTOBER 1,
1984], AND NO OTHER NOTICE OR REJECTION SHALL BE REQUIRED:~~

~~IMPORTANT NOTICE~~

~~INSURANCE COMPANIES OPERATING IN THE COMMONWEALTH OF
PENNSYLVANIA ARE REQUIRED BY LAW TO MAKE AVAILABLE FOR
PURCHASE THE FOLLOWING BENEFITS FOR YOU, YOUR SPOUSE OR
OTHER RELATIVES OR MINORS IN YOUR CUSTODY OR IN THE
CUSTODY OF YOUR RELATIVES, RESIDING IN YOUR HOUSEHOLD,
OCCUPANTS OF YOUR MOTOR VEHICLE OR PERSONS STRUCK BY YOUR
MOTOR VEHICLE:~~

~~(1) MEDICAL BENEFITS, UP TO AT LEAST \$100,000.~~

1 ~~(1.1) EXTRAORDINARY MEDICAL BENEFITS, FROM \$100,000~~
2 ~~TO \$1,100,000 WHICH MAY BE OFFERED IN INCREMENTS OF~~
3 ~~\$100,000.~~

4 ~~(2) INCOME LOSS BENEFITS, UP TO AT LEAST \$2,500 PER~~
5 ~~MONTH UP TO A MAXIMUM BENEFIT OF AT LEAST \$50,000.~~

6 ~~(3) ACCIDENTAL DEATH BENEFITS, UP TO AT LEAST~~
7 ~~\$25,000.~~

8 ~~(4) FUNERAL BENEFITS, \$2,500.~~

9 ~~(5) AS AN ALTERNATIVE TO PARAGRAPHS (1) THROUGH (4),~~
10 ~~A COMBINATION BENEFIT, UP TO AT LEAST [\$277,500] \$177,500~~
11 ~~OF BENEFITS IN THE AGGREGATE OR BENEFITS PAYABLE UP TO~~
12 ~~THREE YEARS FROM THE DATE OF THE ACCIDENT, WHICHEVER~~
13 ~~OCCURS FIRST, SUBJECT TO A LIMIT ON ACCIDENTAL DEATH~~
14 ~~BENEFIT OF UP TO \$25,000 AND A LIMIT ON FUNERAL BENEFIT~~
15 ~~OF \$2,500, PROVIDED THAT NOTHING CONTAINED IN THIS~~
16 ~~SUBSECTION SHALL BE CONSTRUED TO LIMIT, REDUCE, MODIFY OR~~
17 ~~CHANGE THE PROVISIONS OF SECTION 1715(D) (RELATING TO~~
18 ~~AVAILABILITY OF ADEQUATE LIMITS).~~

19 ~~(6) UNINSURED, UNDERINSURED AND BODILY INJURY~~
20 ~~LIABILITY COVERAGE UP TO AT LEAST \$100,000 BECAUSE OF~~
21 ~~INJURY TO ONE PERSON IN ANY ONE ACCIDENT AND UP TO AT~~
22 ~~LEAST \$300,000 BECAUSE OF INJURY TO TWO OR MORE PERSONS~~
23 ~~IN ANY ONE ACCIDENT OR, AT THE OPTION OF THE INSURER, UP~~
24 ~~TO AT LEAST \$300,000 IN A SINGLE LIMIT FOR THESE~~
25 ~~COVERAGES, EXCEPT FOR POLICIES ISSUED UNDER THE ASSIGNED~~
26 ~~RISK PLAN. ALSO, AT LEAST \$5,000 FOR DAMAGE TO PROPERTY~~
27 ~~OF OTHERS IN ANY ONE ACCIDENT.~~

28 ~~ADDITIONALLY, INSURERS MAY OFFER HIGHER BENEFIT LEVELS~~
29 ~~THAN THOSE ENUMERATED ABOVE AS WELL AS ADDITIONAL~~
30 ~~BENEFITS. HOWEVER, AN INSURED MAY ELECT TO PURCHASE LOWER~~

~~BENEFIT LEVELS THAN THOSE ENUMERATED ABOVE.~~

~~YOUR SIGNATURE ON THIS NOTICE OR YOUR PAYMENT OF ANY
RENEWAL PREMIUM EVIDENCES YOUR ACTUAL KNOWLEDGE AND
UNDERSTANDING OF THE AVAILABILITY OF THESE BENEFITS AND
LIMITS AS WELL AS THE BENEFITS AND LIMITS YOU HAVE
SELECTED.~~

~~IF YOU HAVE ANY QUESTIONS OR YOU DO NOT UNDERSTAND ALL OF
THE VARIOUS OPTIONS AVAILABLE TO YOU, CONTACT YOUR AGENT
OR COMPANY.~~

~~IF YOU DO NOT UNDERSTAND ANY OF THE PROVISIONS CONTAINED
IN THIS NOTICE, CONTACT YOUR AGENT OR COMPANY BEFORE YOU
SIGN.~~

~~SECTION 15. TITLE 75 IS AMENDED BY ADDING A SECTION TO READ:~~

~~§ 1791.1. DISCLOSURE OF PREMIUM CHARGES.~~

~~(A) INVOICE. AT THE TIME OF APPLICATION FOR ORIGINAL
COVERAGE AND EVERY RENEWAL THEREAFTER, AN INSURER MUST PROVIDE
TO AN INSURED AN ITEMIZED INVOICE LISTING THE MINIMUM AUTOMOBILE
INSURANCE COVERAGE LEVELS MANDATED BY THE COMMONWEALTH AND THE
PREMIUM CHARGE FOR THE INSURED TO PURCHASE THE MINIMUM MANDATED
COVERAGES. THE INVOICE MUST CONTAIN THE FOLLOWING NOTICE IN
PRINT OF NO LESS THAN TEN POINT TYPE:~~

~~THE LAWS OF THE COMMONWEALTH OF PENNSYLVANIA, AS ENACTED
BY THE GENERAL ASSEMBLY, REQUIRE THAT YOU PURCHASE ONLY
LIABILITY AND MEDICAL BENEFIT COVERAGES TO COMPLY WITH
PENNSYLVANIA LAW. ANY ADDITIONAL COVERAGES OR COVERAGES
IN EXCESS OF THE LIMITS REQUIRED BY LAW ARE PROVIDED ONLY
AT YOUR REQUEST AS ENHANCEMENTS TO BASIC COVERAGES.~~

~~THE INSURER SHALL PROVIDE THE ITEMIZED INVOICE TO THE INSURED IN
CONJUNCTION WITH THE DECLARATION OF COVERAGE LIMITS AND PREMIUMS
FOR THE INSURED'S EXISTING COVERAGES.~~

~~(B) COST INFORMATION. UPON AN ORAL OR WRITTEN REQUEST, AN INSURER SUBJECT TO THIS CHAPTER SHALL PROVIDE TO THE REQUESTOR INFORMATION ON THE REQUESTOR'S COST TO PURCHASE FROM THE INSURER THE MINIMUM AUTOMOBILE INSURANCE COVERAGES REQUIRED UNDER THIS CHAPTER. THIS REQUIREMENT SHALL INCLUDE THE REQUEST FOR AND PROVISION OF INFORMATION BY TELEPHONE.~~

~~SECTION 16. SECTIONS 1792 AND 1797 OF TITLE 75 ARE AMENDED TO READ:~~

~~§ 1792. AVAILABILITY OF UNINSURED, UNDERINSURED, BODILY INJURY LIABILITY AND PROPERTY DAMAGE COVERAGES AND MANDATORY DEDUCTIBLES.~~

~~(A) AVAILABILITY OF COVERAGES. EXCEPT FOR POLICIES ISSUED UNDER SUBCHAPTER D (RELATING TO ASSIGNED RISK PLAN), AN INSURER ISSUING A POLICY OF BODILY INJURY LIABILITY COVERAGE PURSUANT TO THIS CHAPTER SHALL MAKE AVAILABLE FOR PURCHASE HIGHER LIMITS OF UNINSURED, UNDERINSURED AND BODILY INJURY LIABILITY COVERAGES UP TO AT LEAST \$100,000 BECAUSE OF INJURY TO ONE PERSON IN ANY ONE ACCIDENT AND UP TO AT LEAST \$300,000 BECAUSE OF INJURY TO TWO OR MORE PERSONS IN ANY ONE ACCIDENT OR, AT THE OPTION OF THE INSURER, UP TO AT LEAST \$300,000 IN A SINGLE LIMIT FOR THESE COVERAGES. ADDITIONALLY, AN INSURER SHALL MAKE AVAILABLE FOR PURCHASE AT LEAST \$5,000 BECAUSE OF DAMAGE TO PROPERTY OF OTHERS IN ANY ONE ACCIDENT. HOWEVER, THE EXCLUSION OF AVAILABILITY RELATING TO THE ASSIGNED RISK PLAN SHALL NOT APPLY TO DAMAGE TO PROPERTY OF OTHERS IN ANY ONE ACCIDENT.~~

~~(B) MANDATORY DEDUCTIBLES.~~

~~(1) EVERY PRIVATE PASSENGER AUTOMOBILE INSURANCE POLICY PROVIDING COLLISION COVERAGE ISSUED OR RENEWED ON OR AFTER THE EFFECTIVE DATE OF THIS SUBSECTION, SHALL PROVIDE A DEDUCTIBLE IN AN AMOUNT OF \$500 FOR COLLISION COVERAGE,~~

1 ~~UNLESS THE NAMED INSURED SIGNS A STATEMENT INDICATING THE~~
2 ~~INSURED IS AWARE THAT THE PURCHASE OF A LOWER DEDUCTIBLE IS~~
3 ~~PERMISSIBLE AND THAT THERE IS AN ADDITIONAL COST OF~~
4 ~~PURCHASING A LOWER DEDUCTIBLE, AND THE INSURED AGREES TO~~
5 ~~ACCEPT IT.~~

6 ~~(2) UNDER NO CIRCUMSTANCES MAY A PRIVATE PASSENGER~~
7 ~~AUTOMOBILE INSURANCE POLICY PROVIDE A COLLISION DEDUCTIBLE IN~~
8 ~~AN AMOUNT LESS THAN \$100.~~

9 ~~(3) ANY PERSON OR ENTITY PROVIDING FINANCING TO THE~~
10 ~~PURCHASER OF A MOTOR VEHICLE OR OTHERWISE HOLDING A SECURITY~~
11 ~~INTEREST IN A MOTOR VEHICLE SHALL NOT BE PERMITTED TO REQUIRE~~
12 ~~THE PURCHASE OF A DEDUCTIBLE FOR LESS THAN \$500 FOR COLLISION~~
13 ~~AND COMPREHENSIVE COVERAGES. ANY FINANCIAL INSTITUTION,~~
14 ~~INSURER, AGENT OR OTHER PERSON OR ENTITY FOUND TO HAVE~~
15 ~~VIOLATED THIS PROVISION SHALL BE REQUIRED TO REIMBURSE THE~~
16 ~~POLICYHOLDER IN AN AMOUNT EQUAL TO THE DIFFERENCE AND, IN~~
17 ~~ADDITION, SHALL BE REQUIRED TO PAY A CIVIL PENALTY OF \$500 TO~~
18 ~~THE DEPARTMENT OF TRANSPORTATION FOR EACH VIOLATION.~~

19 ~~(4) WITH THE PURCHASE OF A \$500 OR GREATER DEDUCTIBLE,~~
20 ~~THERE SHALL BE AN IMMEDIATE COMMENSURATE REDUCTION IN RATE~~
21 ~~FOR COLLISION AND COMPREHENSIVE COVERAGES. THE REDUCTION IN~~
22 ~~RATE SHALL BE BASED ON THE INSURED'S EXISTING DEDUCTIBLE~~
23 ~~LEVEL. SHOULD THE INSURED ELECT TO PURCHASE A DEDUCTIBLE IN~~
24 ~~AN AMOUNT EQUAL TO OR EXCEEDING \$100, THERE SHALL BE AN~~
25 ~~IMMEDIATE COMMENSURATE REDUCTION IN RATE FOR COLLISION AND~~
26 ~~COMPREHENSIVE COVERAGES, BUT ONLY AS IT RELATES TO THE~~
27 ~~INSURED'S EXISTING DEDUCTIBLE RATE.~~

28 ~~§ 1797. CUSTOMARY CHARGES FOR TREATMENT.~~

29 ~~(A) GENERAL RULE. A PERSON OR INSTITUTION PROVIDING~~
30 ~~TREATMENT, ACCOMMODATIONS, PRODUCTS OR SERVICES TO AN INJURED~~

1 ~~PERSON FOR AN INJURY COVERED BY [MEDICAL OR CATASTROPHIC LOSS~~
2 ~~BENEFITS] LIABILITY OR FIRST PARTY MEDICAL BENEFITS FOR A MOTOR~~
3 ~~VEHICLE DESCRIBED IN SUBCHAPTER B (RELATING TO MOTOR VEHICLE~~
4 ~~LIABILITY INSURANCE FIRST PARTY BENEFITS), SHALL NOT [MAKE A~~
5 ~~CHARGE] REQUIRE, REQUEST OR ACCEPT PAYMENT FOR THE TREATMENT,~~
6 ~~ACCOMMODATIONS, PRODUCTS OR SERVICES IN EXCESS OF [THE AMOUNT~~
7 ~~THE PERSON OR INSTITUTION CUSTOMARILY CHARGES FOR LIKE~~
8 ~~TREATMENT, ACCOMMODATIONS, PRODUCTS AND SERVICES IN CASES~~
9 ~~INVOLVING NO INSURANCE.] 110% OF THE PREVAILING CHARGE AT THE~~
10 ~~75TH PERCENTILE; 110% OF THE APPLICABLE FEE SCHEDULE, THE~~
11 ~~RECOMMENDED FEE OR THE INFLATION INDEX CHARGE; OR 110% OF THE~~
12 ~~DIAGNOSTIC RELATED GROUPS (DRG) PAYMENT; WHICHEVER PERTAINS TO~~
13 ~~THE SPECIALTY SERVICE INVOLVED, DETERMINED TO BE APPLICABLE IN~~
14 ~~THIS COMMONWEALTH UNDER THE MEDICARE PROGRAM FOR COMPARABLE~~
15 ~~SERVICES AT THE TIME THE SERVICES WERE RENDERED, OR THE~~
16 ~~PROVIDER'S USUAL AND CUSTOMARY CHARGE, WHICHEVER IS LESS. IF A~~
17 ~~PREVAILING CHARGE, FEE SCHEDULE, RECOMMENDED FEE, INFLATION~~
18 ~~INDEX CHARGE OR DRG PAYMENT HAS NOT BEEN CALCULATED UNDER THE~~
19 ~~MEDICARE PROGRAM FOR A PARTICULAR TREATMENT, ACCOMMODATION,~~
20 ~~PRODUCT OR SERVICE, THE AMOUNT OF THE PAYMENT MAY NOT EXCEED 80%~~
21 ~~OF THE PROVIDER'S USUAL AND CUSTOMARY CHARGE. IF ACUTE CARE IS~~
22 ~~PROVIDED IN AN ACUTE CARE FACILITY TO A PATIENT WITH AN~~
23 ~~IMMEDIATELY LIFE THREATENING OR URGENT INJURY BY A LEVEL I OR~~
24 ~~LEVEL II TRAUMA CENTER ACCREDITED BY THE PENNSYLVANIA TRAUMA~~
25 ~~SYSTEMS FOUNDATION UNDER THE ACT OF JULY 3, 1985 (P.L.164,~~
26 ~~NO.45), KNOWN AS THE EMERGENCY MEDICAL SERVICES ACT, OR TO A~~
27 ~~MAJOR BURN INJURY PATIENT BY A BURN FACILITY WHICH MEETS ALL THE~~
28 ~~SERVICE STANDARDS OF THE AMERICAN BURN ASSOCIATION, THE AMOUNT~~
29 ~~OF PAYMENT MAY NOT EXCEED THE USUAL AND CUSTOMARY CHARGE.~~
30 ~~PROVIDERS SUBJECT TO THIS SECTION MAY NOT BILL THE INSURED~~

~~DIRECTLY BUT MUST BILL THE INSURER FOR A DETERMINATION OF THE
AMOUNT PAYABLE. THE PROVIDER SHALL NOT BILL OR OTHERWISE ATTEMPT
TO COLLECT FROM THE INSURED THE DIFFERENCE BETWEEN THE
PROVIDER'S FULL CHARGE AND THE AMOUNT PAID BY THE INSURER.~~

~~(B) PEER REVIEW PLAN FOR CHALLENGES TO REASONABLENESS AND
NECESSITY OF TREATMENT.~~

~~(1) PEER REVIEW PLAN. INSURERS SHALL CONTRACT JOINTLY
OR SEPARATELY WITH ANY PEER REVIEW ORGANIZATION ESTABLISHED
FOR THE PURPOSE OF EVALUATING TREATMENT, HEALTH CARE
SERVICES, PRODUCTS OR ACCOMMODATIONS PROVIDED TO ANY INJURED
PERSON. SUCH EVALUATION SHALL BE FOR THE PURPOSE OF
CONFIRMING THAT SUCH TREATMENT, PRODUCTS, SERVICES OR
ACCOMMODATIONS CONFORM TO THE PROFESSIONAL STANDARDS OF
PERFORMANCE AND ARE MEDICALLY NECESSARY. AN INSURER'S
CHALLENGE MUST BE MADE TO A PRO WITHIN 90 DAYS OF THE
INSURER'S RECEIPT OF THE PROVIDER'S BILL FOR TREATMENT OR
SERVICES OR MAY BE MADE AT ANY TIME FOR CONTINUING TREATMENT
OR SERVICES.~~

~~(2) PRO RECONSIDERATION. AN INSURER, PROVIDER OR
INSURED MAY REQUEST A RECONSIDERATION BY THE PRO OF THE PRO'S
INITIAL DETERMINATION. SUCH A REQUEST FOR RECONSIDERATION
MUST BE MADE WITHIN 30 DAYS OF THE PRO'S INITIAL
DETERMINATION. IF RECONSIDERATION IS REQUESTED FOR THE
SERVICES OF A PHYSICIAN OR OTHER LICENSED HEALTH CARE
PROFESSIONAL, THEN THE REVIEWING INDIVIDUAL MUST BE, OR THE
REVIEWING PANEL MUST INCLUDE, AN INDIVIDUAL IN THE SAME
SPECIALTY AS THE INDIVIDUAL SUBJECT TO REVIEW.~~

~~(3) PENDING DETERMINATIONS BY PRO. IF THE INSURER
CHALLENGES WITHIN 30 DAYS OF RECEIPT OF A BILL FOR MEDICAL
TREATMENT OR REHABILITATIVE SERVICES, THE INSURER NEED NOT~~

~~PAY THE PROVIDER SUBJECT TO THE CHALLENGE UNTIL A
DETERMINATION HAS BEEN MADE BY THE PRO. THE INSURED MAY NOT
BE BILLED FOR ANY TREATMENT, ACCOMMODATIONS, PRODUCTS OR
SERVICES DURING THE PEER REVIEW PROCESS.~~

~~(4) APPEAL TO COURT. A PROVIDER OF MEDICAL TREATMENT OR
REHABILITATIVE SERVICES OR MERCHANDISE OR AN INSURED MAY
CHALLENGE BEFORE A COURT AN INSURER'S REFUSAL TO PAY FOR PAST
OR FUTURE MEDICAL TREATMENT OR REHABILITATIVE SERVICES OR
MERCHANDISE, THE REASONABLENESS OR NECESSITY OF WHICH THE
INSURER HAS NOT CHALLENGED BEFORE A PRO. CONDUCT CONSIDERED
TO BE "WANTON" SHALL BE SUBJECT TO A PAYMENT OF TREBLE
DAMAGES TO THE INJURED PARTY.~~

~~(5) PRO DETERMINATION IN FAVOR OF PROVIDER OR INSURED.
IF A PRO DETERMINES THAT MEDICAL TREATMENT OR REHABILITATIVE
SERVICES OR MERCHANDISE WERE MEDICALLY NECESSARY, THE INSURER
MUST PAY TO THE PROVIDER THE OUTSTANDING AMOUNT PLUS INTEREST
AT 12% PER YEAR ON ANY AMOUNT WITHHELD BY THE INSURER PENDING
PRO REVIEW.~~

~~(6) COURT DETERMINATION IN FAVOR OF PROVIDER OR
INSURED. IF PURSUANT TO PARAGRAPH (4) A COURT DETERMINES
THAT MEDICAL TREATMENT OR REHABILITATIVE SERVICES OR
MERCHANDISE WERE MEDICALLY NECESSARY, THE INSURER MUST PAY TO
THE PROVIDER THE OUTSTANDING AMOUNT PLUS INTEREST AT 12%, AS
WELL AS THE COSTS OF THE CHALLENGE AND ALL ATTORNEY FEES.~~

~~(7) DETERMINATION IN FAVOR OF INSURER. IF IT IS
DETERMINED BY A PRO OR COURT THAT A PROVIDER HAS PROVIDED
UNNECESSARY MEDICAL TREATMENT OR REHABILITATIVE SERVICES OR
MERCHANDISE OR THAT FUTURE PROVISION OF SUCH TREATMENT,
SERVICES OR MERCHANDISE WILL BE UNNECESSARY, OR BOTH, THE
PROVIDER MAY NOT COLLECT PAYMENT FOR THE MEDICALLY~~

~~UNNECESSARY TREATMENT, SERVICES OR MERCHANDISE. IF THE
PROVIDER HAS COLLECTED SUCH PAYMENT, IT MUST RETURN THE
AMOUNT PAID PLUS INTEREST AT 12% PER YEAR WITHIN 30 DAYS. IN
NO CASE DOES THE FAILURE OF THE PROVIDER TO RETURN THE SAID
PAYMENT OBLIGATE THE INSURED TO ASSUME RESPONSIBILITY FOR
PAYMENT FOR THE TREATMENT, SERVICES OR MERCHANDISE.~~

~~(C) REVIEW AUTHORIZED. BY DECEMBER 1, 1991, THE LEGISLATIVE
BUDGET AND FINANCE COMMITTEE SHALL COMMENCE A REVIEW OF THE
IMPACT OF THIS SECTION. SUCH REVIEW MAY BE CONDUCTED BIENNIALY.~~

~~SECTION 17. TITLE 75 IS AMENDED BY ADDING SECTIONS TO READ:
§ 1799.1. RESTRAINT SYSTEM.~~

~~(A) GENERAL RULE. ALL INSURANCE COMPANIES AUTHORIZED TO
WRITE PRIVATE PASSENGER AUTOMOBILE INSURANCE WITHIN THIS
COMMONWEALTH SHALL REDUCE THE PREMIUMS FOR FIRST PARTY COVERAGES
AS DEFINED IN SECTION 1712 (RELATING TO AVAILABILITY OF
BENEFITS) FOR ANY INSURED VEHICLE EQUIPPED WITH A PASSIVE
RESTRAINT SYSTEM FOR FRONT SEAT PASSENGERS: 15% FOR PASSIVE SEAT
BELTS, 20% FOR ONE AIR BAG ON THE DRIVER'S SIDE OF THE VEHICLE
OR 30% FOR TWO AIR BAGS.~~

~~(B) DEFINITIONS. AS USED IN THIS SECTION, THE FOLLOWING
WORDS AND PHRASES SHALL HAVE THE MEANINGS GIVEN TO THEM IN THIS
SECTION UNLESS THE CONTEXT CLEARLY INDICATES OTHERWISE:~~

~~"PASSIVE RESTRAINT." ANY FRONTAL AUTOMOBILE CRASH PROTECTION
SYSTEM WHICH REQUIRES NO ACTION OF THE VEHICLE OCCUPANTS AND
COMPLIES WITH STANDARD 751.208 OF THE NATIONAL TRAFFIC SAFETY
ADMINISTRATION OR ITS SUCCESSOR.~~

~~§ 1799.2. ANTITHEFT DEVICES.~~

~~(A) GENERAL RULE. ALL INSURANCE COMPANIES AUTHORIZED TO
WRITE PRIVATE PASSENGER AUTOMOBILE INSURANCE WITHIN THIS
COMMONWEALTH SHALL REDUCE BY 10% THE PREMIUMS FOR COMPREHENSIVE~~

~~COVERAGE FOR ALL INSURED VEHICLES EQUIPPED WITH PASSIVE
ANTITHEFT DEVICES.~~

~~(B) DEFINITIONS. AS USED IN THIS SECTION, THE FOLLOWING
WORDS AND PHRASES SHALL HAVE THE MEANINGS GIVEN TO THEM IN THIS
SECTION UNLESS THE CONTEXT CLEARLY INDICATES OTHERWISE:~~

~~"PASSIVE ANTITHEFT DEVICE." ANY ITEM OR SYSTEM INSTALLED IN
AN AUTOMOBILE WHICH IS ACTIVATED AUTOMATICALLY WHEN THE OPERATOR
TURNS THE IGNITION KEY TO THE OFF POSITION AND WHICH IS DESIGNED
TO PREVENT UNAUTHORIZED USE, AS PRESCRIBED BY REGULATIONS OF THE
DEPARTMENT. THE TERM DOES NOT INCLUDE AN IGNITION INTERLOCK
PROVIDED AS A STANDARD ANTITHEFT DEVICE BY THE ORIGINAL
AUTOMOBILE MANUFACTURER.~~

~~§ 1799.3. DRIVER IMPROVEMENT COURSE DISCOUNTS.~~

~~(A) MOTOR VEHICLE DRIVER IMPROVEMENT COURSE. EVERY INSURER
WHICH WRITES A POLICY OF AUTOMOBILE INSURANCE IN THIS
COMMONWEALTH SHALL REDUCE BY 5% THE TOTAL PREMIUM CHARGED FOR
EACH VEHICLE FOR THOSE INSUREDS 55 YEARS OF AGE AND OLDER FOR A
THREE YEAR PERIOD AFTER THEY SUCCESSFULLY COMPLETE A MOTOR
VEHICLE DRIVER IMPROVEMENT COURSE MEETING THE STANDARDS OF THE
DEPARTMENT.~~

~~(B) COMPLETION OF COURSE. UPON SUCCESSFULLY COMPLETING THE
APPROVED COURSE, EACH PARTICIPANT SHALL BE ISSUED, BY THE
COURSE'S SPONSORING AGENCY, A CERTIFICATE WHICH SHALL BE THE
BASIS OF QUALIFICATION FOR THE DISCOUNT ON INSURANCE.~~

~~(C) CONTINUING ELIGIBILITY. EACH PARTICIPANT SHALL TAKE AN
APPROVED COURSE EVERY THREE YEARS TO CONTINUE TO BE ELIGIBLE FOR
THE DISCOUNT ON INSURANCE. EACH INSURER MAY REQUIRE, AS A
CONDITION OF PROVIDING AND MAINTAINING THE DISCOUNT, THAT THE
INSURED FOR A THREE YEAR PERIOD AFTER COURSE COMPLETION:~~

~~(1) NOT BE INVOLVED IN AN ACCIDENT FOR WHICH THE INSURED~~

~~IS CHARGEABLE; AND~~

~~(2) NOT HAVE ANY ACCUMULATION OF POINTS FOR A TRAFFIC VIOLATION.~~

~~(D) NONAPPLICABILITY. THIS SECTION SHALL NOT APPLY IN THE EVENT THE APPROVED COURSE IS SPECIFIED BY A COURT OR OTHER GOVERNMENTAL ENTITY RESULTING FROM A MOVING TRAFFIC VIOLATION.~~

~~§ 1799.4. GOOD DRIVER DISCOUNT.~~

~~EVERY INSURER WHICH WRITES A POLICY OF AUTOMOBILE INSURANCE IN THIS COMMONWEALTH SHALL REDUCE BY 10% THE TOTAL PREMIUM CHARGED FOR EACH VEHICLE AS TO WHICH NO AT FAULT CLAIM HAS BEEN FILED FOR FIVE CONSECUTIVE YEARS IMMEDIATELY PRECEDING THE PERIOD FOR WHICH THE POLICY IS WRITTEN IF NONE OF THE DRIVERS NAMED IN THE POLICY HAS COMMITTED A MOVING VIOLATION DURING THE FIVE YEAR PERIOD WHICH RESULTED IN A CONVICTION OR WHICH REMAINS UNRESOLVED.~~

~~(1) IF A VIOLATION WHICH IS UNRESOLVED AT THE TIME THE POLICY IS WRITTEN RESULTS IN AN ACQUITTAL, THE DISCOUNT SHALL BE ALLOWED EITHER AS A REFUND OR AS A CREDIT ON A SUBSEQUENT POLICY.~~

~~(2) FOR THE PURPOSE OF THIS SECTION, THE TERM "CONVICTION" INCLUDES A PLEA OF GUILTY, A PLEA OF NOLO CONTENDERE, A FINDING OF GUILTY BY A COURT, AN UNVACATED FORFEITURE OF BAIL OR COLLATERAL DEPOSITED TO SECURE A DEFENDANT'S APPEARANCE IN COURT, AND A PAYMENT BY ANY PERSON CHARGED WITH A VIOLATION OF THE FINE PRESCRIBED FOR THE VIOLATION.~~

~~§ 1799.5. LIMIT ON SURCHARGES, LATE PENALTIES AND POINT ASSIGNMENTS.~~

~~(A) PROPERTY DAMAGE CLAIMS. NO SURCHARGE, RATE PENALTY OR DRIVER RECORD POINT ASSIGNMENT SHALL BE MADE IF THE AGGREGATE~~

~~COST TO THE INSURER OF REPAIR OR REPLACEMENT OF PROPERTY DAMAGED
OR BODILY INJURY LIABILITY IS DETERMINED TO BE LESS THAN \$650 IN
EXCESS OF ANY SELF INSURED RETENTION OR DEDUCTIBLE APPLICABLE TO
THE NAMED INSURED.~~

~~(B) FIRST PARTY MEDICAL CLAIMS. NO SURCHARGE, RATE PENALTY
OR DRIVER RECORD POINT ASSIGNMENT SHALL BE MADE AS A RESULT OF
AN INSURER PAYING A FIRST PARTY MEDICAL CLAIM.~~

~~(C) NOTICE TO INSURED. IF AN INSURER MAKES A DETERMINATION
TO IMPOSE A SURCHARGE, RATE PENALTY OR DRIVER RECORD POINT
ASSIGNMENT, THE INSURER SHALL INFORM THE NAMED INSURED OF THE
DETERMINATION AND SHALL SPECIFY THE MANNER IN WHICH THE
SURCHARGE, RATE PENALTY OR DRIVER RECORD POINT ASSIGNMENT WAS
MADE AND CLEARLY IDENTIFY THE AMOUNT OF THE SURCHARGE OR RATE
PENALTY ON THE PREMIUM NOTICE FOR AS LONG AS THE SURCHARGE OR
RATE PENALTY IS IN EFFECT.~~

~~(D) ADJUSTMENT OF CAP. THE INSURANCE DEPARTMENT, AT LEAST
ONCE EVERY THREE YEARS, SHALL ADJUST THE \$650 CAP OR LIMIT ON
THE PROPERTY DAMAGE OR BODILY INJURY LIABILITY SURCHARGE, RATE
PENALTY OR DRIVER RECORD POINT ASSIGNMENT SCHEME RELATIVE TO
CHANGES IN THE COMPONENTS OF THE CONSUMER PRICE INDEX (URBAN) TO
MEASURE SEASONALLY ADJUSTED CHANGES IN MEDICAL CARE AND
AUTOMOBILE MAINTENANCE AND REPAIR COSTS AND SHALL MAKE SUCH
ADJUSTMENTS TO THE CAP OR LIMIT AS SHALL BE NECESSARY TO
MAINTAIN THE SAME RATE OF CHANGE IN THE CAP OR LIMIT AS HAS
OCCURRED IN THE CONSUMER PRICE INDEX (URBAN). SUCH ADJUSTMENTS
MAY BE ROUNDED OFF TO THE NEAREST \$50 FIGURE.~~

~~§ 1799.6. EXAMINATION OF VEHICLE REPAIRS.~~

~~UPON REQUEST OF THE INSURER, AN INSURANCE ADJUSTER SHALL BE
AFFORDED A REASONABLE OPPORTUNITY TO ENTER A REPAIR FACILITY AND
EXAMINE COVERED REPAIRS BEING MADE TO A SPECIFIC INSURED'S~~

~~VEHICLE AT A MUTUALLY ARRANGED TIME DURING REGULAR BUSINESS
HOURS.~~

~~§ 1799.7. CONDUCT OF MARKET STUDY.~~

~~(A) DUTY OF INSURANCE DEPARTMENT. THE INSURANCE DEPARTMENT
MAY AUTHORIZE A MARKET CONDUCT STUDY OF PRIVATE PASSENGER
AUTOMOBILE INSURERS.~~

~~(B) PURPOSES OF STUDY. THE PURPOSES OF THE STUDY SHALL BE
TO:~~

~~(1) DETERMINE EXTENT OF INSURER COMPETITION.~~

~~(2) DETERMINE THE NUMBER OF UNINSURED MOTORISTS.~~

~~(3) DETERMINE EXTENT OF INSURER PROFITS AND LOSSES.~~

~~(4) DETERMINE IF ALL RATE FILINGS ARE REASONABLE IN
TERMS OF STATUTORY AND REGULATORY REQUIREMENTS.~~

~~(5) DETERMINE THE VALIDITY OF EXISTING RATING
TERRITORIES AND IF RATE DIFFERENTIALS BETWEEN OR AMONG RATING
TERRITORIES IS JUSTIFIED BY THE LOSSES.~~

~~(6) DETERMINE IF THE VARIOUS POLICIES FOR AUTOMOBILE
INSURANCE WRITTEN IN THIS COMMONWEALTH ARE AVAILABLE EQUALLY
TO EACH RESIDENT.~~

~~§ 1799.8. CONDUCT OF RANDOM FIELD SURVEYS.~~

~~(A) AUTHORITY. IN FURTHERANCE OF THE PURPOSES AND GOALS OF
SECTION 1799.7 (RELATING TO CONDUCT OF MARKET STUDY), THE
INSURANCE DEPARTMENT MAY CONDUCT FIELD SURVEYS IN THIS
COMMONWEALTH. THE FIELD SURVEY SHALL:~~

~~(1) DETERMINE THE GEOGRAPHICAL AREA TO BE SURVEYED.~~

~~(2) ESTABLISH A LIST OF INSURANCE PRODUCERS IN THE
SURVEYED AREA OR ITS IMMEDIATE NEIGHBORHOOD.~~

~~(3) CONSTRUCT HYPOTHETICAL RISK EXAMPLES AND OBTAIN
PREMIUM QUOTATIONS.~~

~~(4) DEVELOP A TENTATIVE LIST OF QUESTIONS FOR THE~~

~~AGENTS.~~

~~(5) INTERVIEW AGENTS AT THEIR OFFICES AND OBTAIN PREMIUM QUOTATIONS FROM THE AGENT FOR EACH COMPANY REPRESENTED BY THAT AGENT.~~

~~(6) SORT AND CATEGORIZE INFORMATION.~~

~~(7) CONSTRUCT A TABLE DISPLAYING QUOTATIONS BY INSURER, AREA AND RISK.~~

~~(8) WRITE A REPORT OF THE FINDINGS.~~

~~(B) CONJUNCTIVE ANALYSIS OF MARKET STUDY AND FIELD SURVEY.~~

~~THE DEPARTMENT MAY ANALYZE INFORMATION COLLECTED FROM INSURANCE COMPANIES UNDER SECTION 1799.7 IN CONJUNCTION WITH INFORMATION COLLECTED FROM FIELD SURVEYS. THIS ANALYSIS MAY BE ONGOING.~~

~~§ 1799.9. INSURANCE IN CITIES OF THE FIRST CLASS.~~

~~(A) STUDY BY THE INSURANCE DEPARTMENT. BY FEBRUARY 1, 1991, THE INSURANCE DEPARTMENT SHALL COMMENCE A STUDY OF THE USE OF A SINGLE CARRIER FOR AUTOMOBILE INSURANCE IN CITIES OF THE FIRST CLASS. THE TERM "SINGLE CARRIER" INCLUDES A PRIVATE INSURANCE COMPANY OR A PUBLIC AUTHORITY OR AGENCY SPECIFICALLY CREATED FOR THE IMPLEMENTATION OF THIS SECTION. UPON COMPLETION, THE STUDY SHALL BE DELIVERED TO THE MAJORITY AND MINORITY LEADERS OF THE SENATE AND THE HOUSE OF REPRESENTATIVES. THE STUDY SHALL INCLUDE, AT A MINIMUM, THE FOLLOWING COMPONENTS:~~

~~(1) AN ASSESSMENT OF THE NUMBER OF UNINSURED VEHICLES IN CITIES OF THE FIRST CLASS.~~

~~(2) AN ASSESSMENT OF THE NUMBER OF INSURED VEHICLES IN CITIES OF THE FIRST CLASS.~~

~~(3) AN ANALYSIS OF SOURCES OF AUTOMOBILE INSURANCE, BY COMPANY, OF VEHICLES IN CITIES OF THE FIRST CLASS. THE ANALYSIS SHALL INCLUDE A DETERMINATION OF THE NUMBER OF VEHICLES INSURED IN CITIES OF THE FIRST CLASS IN BOTH THE~~

~~VOLUNTARY MARKET AND THE ASSIGNED RISK PLAN BY EACH INSURANCE
CARRIER LICENSED TO PROVIDE AUTOMOBILE INSURANCE IN THIS
COMMONWEALTH.~~

~~(4) AN ANALYSIS OF THE COSTS TO MOTORISTS TO INSURE A
VEHICLE IN CITIES OF THE FIRST CLASS IN THE VOLUNTARY MARKET
AND THROUGH THE ASSIGNED RISK PLAN.~~

~~(5) AN ASSESSMENT OF THE IMPACT OF "TAKE OUT" PROVISIONS
ON THE VOLUNTARY MARKET PLACE IN CITIES OF THE FIRST CLASS.~~

~~(6) A DETERMINATION AS TO THE NUMBER OF LAWSUITS FILED
FOR BODILY INJURY CLAIMS; THE AMOUNT AND TYPE OF DAMAGES
REQUESTED IN SUCH LAWSUITS; THE PERCENTAGE OF CLAIMS SETTLED
BEFORE COURT AND THE AMOUNT OF SETTLEMENT; THE PERCENTAGE OF
LAWSUITS DECIDED BY THE COURT AND THE AMOUNT OF DAMAGES
AWARDED; AND THE FEES CHARGED BY LAWYERS FOR REPRESENTING
CLAIMS.~~

~~(7) AN ASSESSMENT OF THE FREQUENCY, TYPE AND AMOUNT OF
PHYSICAL DAMAGE CLAIMS AND FIRST PARTY MEDICAL PAYMENTS.~~

~~(8) A DETERMINATION AS TO WHETHER THE USE OF A SINGLE
CARRIER IN CITIES OF THE FIRST CLASS WOULD HAVE A POSITIVE
FINANCIAL IMPACT ON ALL MOTORISTS IN SUCH CITIES AND IN THIS
COMMONWEALTH. SUCH DETERMINATION SHALL INCLUDE AN ANALYSIS OF
THE USE OF A PUBLIC AUTHORITY OR AGENCY AS THE SINGLE CARRIER
AND OF ITS POTENTIAL FOR PROVIDING LOWER RATES WHEN COMPARED
TO USE OF A PRIVATE INSURANCE COMPANY AS A SINGLE CARRIER.~~

~~(9) A LEGAL OPINION AS TO WHETHER THE USE OF A SINGLE
CARRIER IN CITIES OF THE FIRST CLASS IS PERMISSIBLE UNDER THE
CONSTITUTION AND LAWS OF THE COMMONWEALTH.~~

~~(B) DUTIES OF INSURANCE COMPANIES. INSURANCE COMPANIES
LICENSED IN THIS COMMONWEALTH TO WRITE POLICIES OF AUTOMOBILE
INSURANCE COVERAGE SHALL COOPERATE WITH THE INSURANCE DEPARTMENT~~

~~STUDY AS DESCRIBED IN SUBSECTION (A). COOPERATION SHALL INCLUDE,
BUT NOT BE LIMITED TO, THE PROVISION OF INFORMATION BY INSURANCE
COMPANIES WITHIN REASONABLE TIME FRAMES AS REQUESTED BY THE
DEPARTMENT, IF THE INFORMATION IS AVAILABLE, TO BE USED TO
ADDRESS THE VARIOUS COMPONENTS OF THE STUDY DESCRIBED IN
SUBSECTION (A). SUCH INFORMATION MAY BE USED BY THE DEPARTMENT
ONLY FOR PURPOSES OF THIS STUDY.~~

~~(C) IMPLEMENTATION OF SINGLE CARRIER INSURANCE PROGRAM IN
CITIES OF THE FIRST CLASS. IF A STUDY UNDERTAKEN UNDER
SUBSECTION (A), SECTION 1799.7 (RELATING TO CONDUCT OF MARKET
STUDY) OR SECTION 1799.8 (RELATING TO CONDUCT OF RANDOM FIELD
SURVEYS) PROVIDES INFORMATION SUPPORTING A CONCLUSION THAT A
SINGLE CARRIER IN CITIES OF THE FIRST CLASS WILL IMPROVE THE
AVAILABILITY AND AFFORDABILITY OF AUTOMOBILE INSURANCE IN SUCH
CITIES AND IN THIS COMMONWEALTH, THE INSURANCE DEPARTMENT MAY
IMPLEMENT THE PROGRAM. IF THE PROGRAM IS IMPLEMENTED, THE
INSURANCE DEPARTMENT SHALL DEVELOP REGULATIONS DETAILING THE
COMPONENTS AND OPERATION OF A SINGLE CARRIER INSURANCE PROGRAM
FOR CITIES OF THE FIRST CLASS AND SHALL CONTRACT WITH A SINGLE
CARRIER TO IMPLEMENT SUCH A PROGRAM. THE CONTRACT MUST BE
SECURED FOLLOWING THE REQUEST FOR PROPOSAL PROCESS USED BY THE
COMMONWEALTH TO SECURE GOODS AND SERVICES. THE REQUEST FOR
PROPOSAL PROCESS SHALL INCLUDE A PROCEDURE FOR THE
PREQUALIFICATION OF BIDDERS BASED ON FINANCIAL ABILITY TO
ADMINISTER THE PROGRAM. ANY CONTRACT SIGNED BY THE DEPARTMENT
MUST INCLUDE THE FOLLOWING PROVISIONS:~~

~~(1) PARTICIPATION IN THE PROGRAM IS VOLUNTARY BY
MOTORISTS LIVING IN CITIES OF THE FIRST CLASS.~~

~~(2) ALL DRIVERS, EXCEPT THOSE DETERMINED TO BE
INELIGIBLE AS DEFINED IN SUBSECTION (D), SHALL BE AFFORDED~~

1 ~~THE OPPORTUNITY TO PURCHASE AUTOMOBILE INSURANCE COVERAGE~~
2 ~~THROUGH THE PROGRAM.~~

3 ~~(3) PREFERRED PROVIDER ARRANGEMENTS OR A FEE SCHEDULE~~
4 ~~MAY BE DEVELOPED IN THE PROGRAM WITH SERVICE PROVIDERS FOR~~
5 ~~PHYSICAL DAMAGE REPAIR OR REPLACEMENT AND MEDICAL BENEFITS;~~
6 ~~SUCH ARRANGEMENTS SHALL BE ACCESSIBLE TO THE INSURED.~~

7 ~~(4) FOR PHYSICAL DAMAGE COVERAGE, THE PROGRAM MAY~~
8 ~~PROVIDE FOR A MINIMUM DEDUCTIBLE HIGHER THAN THAT PROVIDED~~
9 ~~FOR IN THIS SUBCHAPTER, BUT IN NO CASE MAY THE MINIMUM~~
10 ~~DEDUCTIBLE BE GREATER THAN \$1,000.~~

11 ~~(5) ANTIFRAUD MECHANISMS MAY BE ESTABLISHED, INCLUDING~~
12 ~~THE INSPECTION OF PHYSICAL DAMAGE CLAIMS, INVESTIGATION OF~~
13 ~~SUSPICIOUS CLAIMS, AND CASE MANAGEMENT FOR SELECTED MEDICAL~~
14 ~~SERVICES.~~

15 ~~(6) A CANCELLATION CLAUSE PERMITTING THE SINGLE CARRIER~~
16 ~~TO CANCEL THE CONTRACT WITH 90 DAYS' NOTICE SHOULD ENROLLMENT~~
17 ~~IN THE PROGRAM FALL BELOW A PERCENTAGE OF THE VEHICLES~~
18 ~~REGISTERED IN CITIES OF THE FIRST CLASS. THE PERCENTAGE SHALL~~
19 ~~BE ESTABLISHED IN THE CONTRACT.~~

20 ~~(7) THE CONTRACT SHALL BE VALID FOR A PERIOD OF NOT LESS~~
21 ~~THAN FIVE YEARS UNLESS A SHORTER CONTRACT PERIOD IS PROPOSED~~
22 ~~BY THE SINGLE CARRIER.~~

23 ~~(8) RATES CHARGED IN THE PROGRAM SHALL BE LOWER THAN~~
24 ~~RATES AVAILABLE IN THE VOLUNTARY MARKET AND SHALL BE INCLUDED~~
25 ~~IN THE CONTRACT AND SHALL BE VALID FOR A PERIOD OF NOT LESS~~
26 ~~THAN TWO YEARS. RATE INCREASES AFTER THIS PERIOD SHALL BE~~
27 ~~SUBJECT TO APPROVAL AS PROVIDED IN THE ACT OF JUNE 11, 1947~~
28 ~~(P.L.538, NO.246), KNOWN AS THE CASUALTY AND SURETY RATE~~
29 ~~REGULATORY ACT.~~

30 ~~(D) INELIGIBLE DRIVER. FOR PURPOSES OF SUBSECTION(C), THE~~

~~TERM "INELIGIBLE DRIVER" SHALL MEAN A PERSON WHO MEETS AT LEAST ONE OF THE FOLLOWING CRITERIA:~~

~~(1) THE PERSON HAS, WITHIN FIVE YEARS OF THE DATE OF APPLICATION FOR INSURANCE, BEEN CONVICTED OF A VIOLATION OF:~~

~~(I) SECTION 3731 (RELATING TO DRIVING UNDER THE INFLUENCE OF ALCOHOL OR A CONTROLLED SUBSTANCE);~~

~~(II) 18 PA.C.S. § 4117 (RELATING TO AUTOMOBILE INSURANCE FRAUD); OR~~

~~(III) ANY FELONY INVOLVING THE USE OF A MOTOR VEHICLE.~~

~~(2) THE PERSON HAS PREVIOUSLY BEEN INSURED UNDER A MOTOR VEHICLE INSURANCE POLICY AND HAS MADE MORE THAN ONE CLAIM UNDER AN INSURANCE POLICY, WITHIN 36 MONTHS OF THE DATE OF APPLICATION FOR INSURANCE UNDER THIS SECTION, ARISING OUT OF AN ACCIDENT WHERE THE INSURED WAS FOUND TO BE SUBSTANTIALLY AT FAULT, THAT IS, MORE THAN 50%, AND WHERE A PAYMENT WAS MADE BY THE INSURER THAT EXCEEDED 50% OF THE ANNUAL PREMIUM FOR THE POLICY OF INSURANCE.~~

~~(3) THE PERSON'S OPERATING PRIVILEGE HAS BEEN SUSPENDED OR REVOKED WITHIN THE PRECEDING 36 MONTH PERIOD.~~

~~(4) THE PERSON'S DRIVING RECORD SHOWS SIX OR MORE POINTS ASSESSED UNDER SECTION 1535 (RELATING TO SCHEDULE OF CONVICTIONS AND POINTS) FOR VIOLATIONS THAT OCCURRED WITHIN 36 MONTHS OF THE DATE OF APPLICATION FOR INSURANCE UNDER THIS SECTION.~~

~~SECTION 18. SECTION 1960 OF TITLE 75 IS AMENDED TO READ:~~

~~§ 1960. REINSTATEMENT OF OPERATING PRIVILEGE OR VEHICLE REGISTRATION.~~

~~THE DEPARTMENT SHALL CHARGE A FEE OF \$25 OR, IF SECTION 1786(C) (RELATING TO REQUIRED FINANCIAL RESPONSIBILITY) APPLIES,~~

~~A FEE OF \$50 TO RESTORE A PERSON'S OPERATING PRIVILEGE OR THE
REGISTRATION OF A VEHICLE FOLLOWING A SUSPENSION OR REVOCATION.~~

~~SECTION 19. TITLE 75 IS AMENDED IS AMENDED BY ADDING A
SECTION TO READ:~~

~~§ 3731.1. OPERATORS OF COMMERCIAL VEHICLES.~~

~~(A) ADDITIONAL OFFENSE DEFINED. A PERSON MAY NOT DRIVE,
OPERATE OR BE IN ACTUAL PHYSICAL CONTROL OF THE MOVEMENT OF A
COMMERCIAL VEHICLE WHEN THE AMOUNT OF ALCOHOL BY WEIGHT IN THE
BLOOD OF THE PERSON IS 0.04% OR GREATER.~~

~~(B) DISQUALIFICATION. UPON RECEIPT OF A CERTIFIED COPY OF A
CONVICTION OF A VIOLATION OF THIS SECTION, THE DEPARTMENT SHALL
DISQUALIFY THE PERSON FROM DRIVING A COMMERCIAL MOTOR VEHICLE
FOR A PERIOD OF ONE YEAR. TWO OR MORE CONVICTIONS OF A VIOLATION
OF THIS SECTION SHALL RESULT IN THE DEPARTMENT DISQUALIFYING THE
PERSON FROM DRIVING A COMMERCIAL MOTOR VEHICLE, AS PROVIDED IN
49 C.F.R. § 383.51 (RELATING TO DISQUALIFICATION OF DRIVERS).~~

~~(C) DEFINITIONS. AS USED IN THIS SECTION, "COMMERCIAL
VEHICLE" MEANS ANY OF THE FOLLOWING:~~

~~(1) A VEHICLE WITH A GROSS VEHICLE WEIGHT RATING OF
26,001 OR MORE POUNDS.~~

~~(2) A COMBINATION OF VEHICLES WITH A GROSS COMBINATION
WEIGHT RATING OF 26,001 OR MORE POUNDS, INCLUDING THE GROSS
VEHICLE WEIGHT RATING OF THE TOWED UNIT OR UNITS.~~

~~(3) A VEHICLE WHICH IS DESIGNED TO TRANSPORT 16 OR MORE
PASSENGERS, INCLUDING THE DRIVER.~~

~~(4) A VEHICLE WHICH IS TRANSPORTING HAZARDOUS MATERIAL
AND WHICH IS REQUIRED TO BE PLACARDED FOR HAZARDOUS
MATERIALS.~~

~~SECTION 20. SECTION 4703(D) OF TITLE 75 IS AMENDED TO READ:~~

~~§ 4703. OPERATION OF VEHICLE WITHOUT OFFICIAL CERTIFICATE OF~~

1 ~~INSPECTION.~~

2 ~~* * *~~

3 ~~(D) NEWLY PURCHASED VEHICLES. NEWLY PURCHASED VEHICLES MAY~~
4 ~~BE DRIVEN WITHOUT A CURRENT INSPECTION CERTIFICATE FOR [FIVE]~~
5 ~~TEN DAYS AFTER SALE OR RESALE OR ENTRY INTO THIS COMMONWEALTH,~~
6 ~~WHICHEVER OCCURS LATER.~~

7 ~~* * *~~

8 ~~SECTION 21. SECTION 4727 OF TITLE 75 IS AMENDED BY ADDING A~~
9 ~~SUBSECTION TO READ:~~

10 ~~§ 4727. ISSUANCE OF CERTIFICATE OF INSPECTION.~~

11 ~~* * *~~

12 ~~(D) PROOF OF INSURANCE. NO CERTIFICATE OF INSPECTION SHALL~~
13 ~~BE ISSUED UNLESS A FINANCIAL RESPONSIBILITY IDENTIFICATION CARD~~
14 ~~INDICATING PROPER PROOF OF FINANCIAL RESPONSIBILITY AS REQUIRED~~
15 ~~BY LAW IS SUBMITTED TO THE INSPECTION OFFICIAL, WHO SHALL, ON A~~
16 ~~FORM PROVIDED BY THE DEPARTMENT, KEEP A RECORD OF THE NAME OF~~
17 ~~THE INSURED, THE VEHICLE TAG NUMBER, THE ISSUING COMPANY, THE~~
18 ~~POLICY NUMBER, AND THE EXPIRATION DATE. IN THOSE CASES WHERE THE~~
19 ~~INSURED FAILS TO PRESENT PROOF OF FINANCIAL RESPONSIBILITY TO~~
20 ~~THE INSPECTION OFFICIAL, THE INSPECTION OFFICIAL, IN ADDITION TO~~
21 ~~DENYING A CERTIFICATE OF INSPECTION, MAY PROVIDE NOTIFICATION TO~~
22 ~~THE DEPARTMENT ON THE FORM PROVIDED BY THE DEPARTMENT WITHIN 30~~
23 ~~DAYS OF THE INSURED'S FAILURE TO PRESENT PROOF OF FINANCIAL~~
24 ~~RESPONSIBILITY.~~

25 ~~SECTION 22. SECTION 6104 OF TITLE 75 IS AMENDED BY ADDING A~~
26 ~~SUBSECTION TO READ:~~

27 ~~§ 6104. ADMINISTRATIVE DUTIES OF DEPARTMENT.~~

28 ~~* * *~~

29 ~~(F) FURNISHING INFORMATION TO MUNICIPAL POLICE DEPARTMENTS~~
30 ~~AND SHERIFFS' OFFICES. THE DEPARTMENT SHALL REGULARLY TRANSMIT~~

~~TO EACH MUNICIPAL POLICE DEPARTMENT AND SHERIFF'S OFFICE A LIST
OF THE NAMES OF PERSONS RESIDING WITHIN ITS JURISDICTION WHOSE
OPERATING PRIVILEGE OR REGISTRATION HAS BEEN SUSPENDED OR
REVOKED.~~

~~SECTION 23. TITLE 75 IS AMENDED BY ADDING A SECTION TO READ:
§ 6308.1. PAYMENT TO POLICE OR SHERIFF'S OFFICE OF ONE HALF OF
REINSTATEMENT FEE.~~

~~THE POLICE DEPARTMENT OR SHERIFF'S OFFICE WHOSE OFFICERS OR
DEPUTIES SEIZE A SUSPENDED OR REVOKED DRIVER'S LICENSE OR
VEHICLE REGISTRATION SHALL, IN EVERY CASE WHERE THE DRIVER'S
LICENSE OR VEHICLE REGISTRATION IS REINSTATED, RECEIVE FROM THE
DEPARTMENT ONE HALF OF THE FEE IMPOSED UNDER SECTION 1960
(RELATING TO REINSTATEMENT OF OPERATING PRIVILEGE OR VEHICLE
REGISTRATION).~~

~~SECTION 24. (A) RATE FREEZE. IN ORDER TO PROVIDE STABILITY
DURING THE PERIOD OF TRANSITION LEADING UP TO THE EFFECTIVE DATE
OF THE AMENDMENTS TO 75 PA.C.S. CH. 17 (RELATING TO FINANCIAL
RESPONSIBILITY) AND TO ASSURE FAIR AND EQUITABLE TREATMENT OF
INSURER AND INSURERS, IT IS IN THE BEST INTEREST OF THE
COMMONWEALTH TO TEMPORARILY SUSPEND THE ADOPTION OF NEW RATES.
NOTWITHSTANDING ANY PROVISIONS TO THE CONTRARY, ALL RATES
APPROVED PRIOR TO DECEMBER 1, 1989, AND IN EFFECT AS OF THAT
DATE MAY NOT BE CHANGED UNTIL JUNE 1, 1990. ANY RATE REQUESTS
FILED WITH THE INSURANCE DEPARTMENT AND NOT APPROVED AS OF
DECEMBER 1, 1989, SHALL BE DISAPPROVED AS BEING IN CONFLICT WITH
THIS ACT.~~

~~(B) RATE FILING. ALL INSURERS SUBJECT TO 75 PA.C.S. CH. 17
SHALL FILE FOR NEW RATES IN COMPLIANCE WITH SUBSECTIONS (C) AND
(D) BY MAY 15, 1990. THE RATES SHALL BE EFFECTIVE FOR ONE YEAR,
BEGINNING JUNE 1, 1990. A FILING WITH AN EFFECTIVE DATE AFTER~~

1 ~~MAY 31, 1990, BUT BEFORE MAY 31, 1991, UNDER SECTION 4 OF THE~~
2 ~~ACT OF JUNE 11, 1947 (P.L.538, NO.246), KNOWN AS THE CASUALTY~~
3 ~~AND SURETY RATE REGULATORY ACT, SHALL BECOME EFFECTIVE~~
4 ~~IMMEDIATELY UPON ITS FILING AND IS DEEMED TO COMPLY WITH THAT~~
5 ~~ACT UNLESS DISAPPROVED BY THE INSURANCE COMMISSIONER UNDER THE~~
6 ~~PROCEDURES DESCRIBED IN SECTION 5 OF THAT ACT. THIS SUBSECTION~~
7 ~~IS LIMITED TO TWO FILINGS PER COVERAGE. THIS SUBSECTION~~
8 ~~SUPERSEDES THE PRIOR APPROVAL REQUIREMENTS OF THE CASUALTY AND~~
9 ~~SURETY RATE REGULATORY ACT AND REGULATIONS PROMULGATED UNDER~~
10 ~~THAT ACT INsofar AS THEY ARE INCONSISTENT WITH THIS ACT.~~

11 ~~(C) RATE ROLLBACK. TOTAL PREMIUMS CHARGED BY ANY INSURER~~
12 ~~FOR AN INSURED DURING THE FIRST 12 MONTH PERIOD FOLLOWING THE~~
13 ~~EFFECTIVE DATE OF THIS ACT SHALL BE REDUCED FROM THE RATES IN~~
14 ~~EFFECT ON DECEMBER 1, 1989, BY 20% FOR A GOOD DRIVER AS DEFINED~~
15 ~~IN 75 PA.C.S. § 1799.4 (RELATING TO GOOD DRIVER DISCOUNT). TOTAL~~
16 ~~PREMIUMS FOR AN INSURED WHO DOES NOT MEET THE CONDITIONS OF 75~~
17 ~~PA.C.S. § 1799.4 SHALL BE REDUCED BY 10%.~~

18 ~~(D) ADDITIONAL PREMIUM REDUCTIONS. NOTWITHSTANDING ANY~~
19 ~~OTHER PROVISIONS OF THIS ACT TO THE CONTRARY, IN ADDITION TO~~
20 ~~REDUCTIONS PROVIDED IN SUBSECTION (C) BASED ON THE PREMIUM~~
21 ~~REDUCTION REQUIREMENTS CONTAINED IN SECTION 8 (75 PA.C.S. §§~~
22 ~~1711, 1712 AND 1731), SECTION 16 (75 PA.C.S. § 1792) AND SECTION~~
23 ~~17 (75 PA.C.S. §§ 1799.1, 1799.2 AND 1799.3), THE PREMIUMS FOR~~
24 ~~AN INSURED SHALL BE REDUCED UP TO A TOTAL OF AT LEAST 30%. AN~~
25 ~~INSURED WHO ELECTS TO PURCHASE COVERAGES AS SPECIFIED IN THOSE~~
26 ~~SECTIONS SHALL RECEIVE A REDUCTION COMMENSURATE WITH THE~~
27 ~~ELECTION.~~

28 ~~(E) RATE INCREASE JUSTIFICATION. TOTAL PREMIUMS CHARGED BY~~
29 ~~AN INSURER FOR AN INSURED DURING THE SECOND 12 MONTH PERIOD~~
30 ~~FOLLOWING THE EFFECTIVE DATE OF THIS ACT MAY NOT BE INCREASED~~

1 ~~OVER THE RATES IN EFFECT ON MAY 31, 1991, BY AN AMOUNT GREATER~~
2 ~~THAN THAT INDICATED BY AN INCREASE IN THE CONSUMER PRICE INDEX,~~
3 ~~THE COST OF MEDICAL CARE SERVICES, THE COST OF AUTOMOBILE~~
4 ~~REPAIRS OR OTHER COST INCREASES AFFECTING AUTOMOBILE INSURANCE.~~
5 ~~BY MARCH 1, 1991, THE INSURANCE COMMISSIONER SHALL PROMULGATE~~
6 ~~REGULATIONS CONTAINING THE CRITERIA WHICH SHALL BE USED BY~~
7 ~~INSURERS TO JUSTIFY ANY RATE INCREASES DURING THAT TIME PERIOD.~~

8 ~~(F) PROVISION FOR INSOLVENCY. THE INSURANCE COMMISSIONER~~
9 ~~SHALL PERMIT RATE REDUCTIONS LOWER THAN THOSE INDICATED IN THIS~~
10 ~~SECTION UPON DEMONSTRATION BY AN INSURER THAT THE RATE~~
11 ~~REDUCTIONS PROVIDED FOR IN THIS SECTION WILL RESULT IN~~
12 ~~INSOLVENCY OF THE INSURER.~~

13 ~~SECTION 25. (A) INSURERS SHALL PROVIDE THE FOLLOWING NOTICE~~
14 ~~ALL POLICYHOLDERS NO LATER THAN JUNE 1, 1990:~~

15 ~~IMPORTANT NOTICE~~

16 ~~CHANGES IN REQUIRED INSURANCE BENEFITS~~

17 ~~AS A RESULT OF THE PENNSYLVANIA GENERAL ASSEMBLY'S RECENT~~
18 ~~AMENDMENT TO THE MOTOR VEHICLE FINANCIAL RESPONSIBILITY~~
19 ~~LAW, AS OF JUNE 1, 1990, A NUMBER OF AUTOMOBILE INSURANCE~~
20 ~~COVERAGES WHICH YOU PREVIOUSLY WERE REQUIRED TO PURCHASE~~
21 ~~ARE NOW OPTIONAL. THESE OPTIONAL COVERAGES ARE WAGE LOSS~~
22 ~~COVERAGE, ACCIDENTAL DEATH COVERAGE, FUNERAL EXPENSE~~
23 ~~BENEFITS AND UNINSURED/UNDERINSURED MOTORIST COVERAGE. IN~~
24 ~~ADDITION, THE REQUIRED MEDICAL BENEFIT HAS BEEN REDUCED~~
25 ~~TO \$5,000. THE RECENT AMENDMENT ALSO PROVIDES DISCOUNTS~~
26 ~~FOR POLICYHOLDERS WHO HAVE VEHICLES WITH CERTAIN PASSIVE~~
27 ~~RESTRAINT SYSTEMS AND ANTITHEFT DEVICES. PLEASE CONTACT~~
28 ~~YOUR AGENT FOR ADDITIONAL INFORMATION.~~

29 ~~(B) INSURERS SHALL PROVIDE A NOTICE TO ALL POLICYHOLDERS~~
30 ~~UPON APPLICATION OR RENEWAL STATING THAT DISCOUNTS ARE AVAILABLE~~

1 ~~FOR DRIVERS WHO MEET THE REQUIREMENTS OF 75 PA.C.S. §§ 1799.1~~
2 ~~(RELATING TO RESTRAINT SYSTEM), 1799.2 (RELATING TO ANTITHEFT~~
3 ~~DEVICES), 1799.3 (RELATING TO DRIVER IMPROVEMENT COURSE~~
4 ~~DISCOUNTS) AND 1799.4 (RELATING TO GOOD DRIVER DISCOUNT).~~

5 ~~SECTION 26. THE INSURANCE DEPARTMENT AND THE DEPARTMENT OF~~
6 ~~TRANSPORTATION SHALL PROMULGATE REGULATIONS TO THE EXTENT~~
7 ~~NECESSARY TO CARRY OUT THE PROVISIONS OF SECTIONS 1 (18 PA.C.S.~~
8 ~~§ 911(H)), 2 (18 PA.C.S. § 4117), 4 (75 PA.C.S. §§ 1305 AND~~
9 ~~1306), 6 (75 PA.C.S. §§ 1376 AND 1540) AND 14 (75 PA.C.S. §~~
10 ~~1786).~~

11 ~~SECTION 27. (A) SECTION 349 OF THE ACT OF MAY 17, 1921~~
12 ~~(P.L.682, NO.284), KNOWN AS THE INSURANCE COMPANY LAW OF 1921 IS~~
13 ~~REPEALED INsofar AS IT IS INCONSISTENT WITH THIS ACT.~~

14 ~~(B) SECTIONS 604 AND 623 OF THE ACT OF MAY 17, 1921~~
15 ~~(P.L.789, NO.285), KNOWN AS THE INSURANCE DEPARTMENT ACT OF ONE~~
16 ~~THOUSAND NINE HUNDRED AND TWENTY ONE ARE REPEALED.~~

17 ~~SECTION 28. THIS ACT SHALL TAKE EFFECT AS FOLLOWS:~~

18 ~~(1) SECTIONS 24, 25, 26 AND THIS SECTION SHALL TAKE~~
19 ~~EFFECT IMMEDIATELY.~~

20 ~~(2) SECTION 17 (75 PA.C.S. §§ 1799.7, 1799.8 AND 1799.9)~~
21 ~~SHALL TAKE EFFECT IN 60 DAYS.~~

22 ~~(3) SECTION 16 (75 PA.C.S. § 1797) SHALL TAKE EFFECT~~
23 ~~APRIL 1, 1990, OR IMMEDIATELY, WHICHEVER IS LATER.~~

24 ~~(4) SECTION 19 (75 PA.C.S. § 3731.1) SHALL TAKE EFFECT~~
25 ~~APRIL 1, 1992.~~

26 ~~(5) THE REMAINDER OF THIS ACT SHALL TAKE EFFECT JUNE 1,~~
27 ~~1990, OR IMMEDIATELY, WHICHEVER IS LATER.~~

28 ~~SECTION 1. SECTIONS 1342(D) AND 1346 OF TITLE 75 OF THE~~
29 ~~PENNSYLVANIA CONSOLIDATED STATUTES ARE AMENDED TO READ:~~

30 ~~§ 1342. VETERAN PLATES AND PLACARD.~~

1 * * *

2 (D) PRISONER OF WAR PLATE.--ON THE APPLICATION OF AN EX-
3 PRISONER OF WAR WHOSE IMPRISONMENT WHILE IN THE SERVICE OF THE
4 ARMED FORCES OF THE UNITED STATES IS CERTIFIED BY THE
5 APPROPRIATE BRANCH OF THE ARMED FORCES, THE DEPARTMENT SHALL
6 ISSUE A SPECIAL REGISTRATION PLATE DESIGNATING THE VEHICLE AS
7 BELONGING TO AN EX-PRISONER OF WAR. THE REGISTRATION PLATE SHALL
8 CONTAIN THE LETTERS "POW" AND SUCH OTHER NUMBERS OR LETTERS AS
9 THE DEPARTMENT MAY DETERMINE AND SHALL HAVE THE WORDS "PRISONER
10 OF WAR" IN AT LEAST TEN-POINT BOLD TYPE INSCRIBED AT THE BOTTOM
11 OF THE PLATE. THE SURVIVING SPOUSE OF AN EX-PRISONER OF WAR MAY
12 RETAIN THE "POW" SPECIAL REGISTRATION PLATE. THE SPECIAL
13 REGISTRATION PLATE MAY BE USED ONLY ON ONE PASSENGER VEHICLE OR
14 ONE OTHER VEHICLE WITH A REGISTERED GROSS WEIGHT OF NOT MORE
15 THAN 9,000 POUNDS.

16 * * *

17 § 1346. SPECIAL PLATES FOR RECIPIENTS OF PURPLE HEART.

18 UPON APPLICATION OF ANY PERSON WHO IS A RECIPIENT OF THE
19 PURPLE HEART, THE DEPARTMENT SHALL ISSUE TO SUCH PERSON A
20 SPECIAL REGISTRATION PLATE DESIGNATING THE VEHICLE SO LICENSED
21 AS BELONGING TO A PERSON WHO IS A RECIPIENT OF THE PURPLE HEART.
22 THE PLATE SHALL HAVE A WHITE BACKGROUND WITH A PURPLE BORDER AND
23 PURPLE LETTERS OR NUMBERS. THE WORDS "COMBAT WOUNDED VETERAN"
24 SHALL BE EMBOSSED IN RED ALONG THE TOP OF THE PLATE IN FULL
25 UPPER CASE LETTERS AND THE WORD "PENNSYLVANIA" SHALL BE EMBOSSED
26 IN RED ALONG THE BOTTOM OF THE PLATE. THE LETTER "P" OVER THE
27 LETTER "H" SHALL BE EMBOSSED IN PURPLE ON THE LEFT SIDE OF THE
28 PLATE. THE CENTER OF THE PLATE SHALL BEAR A DECAL OR APPLIQUE
29 REPLICA OF THE PURPLE HEART IN FULL CONFORMITY WITH THE
30 DESCRIPTION SET FORTH IN 32 CFR § 578.14(B), EXCEPT AS TO

1 MATERIAL AND SIZE. A SEVERELY DISABLED VETERAN, AS DESCRIBED IN
2 SECTION 1342(A) (RELATING TO VETERAN PLATES AND PLACARD), WHO IS
3 QUALIFIED TO RECEIVE A PLATE UNDER THIS SECTION MAY ALSO ELECT
4 TO RECEIVE A PLACARD UNDER SECTION 1342(B). THE SPECIAL
5 REGISTRATION PLATE MAY BE USED ONLY ON ONE PASSENGER VEHICLE OR
6 ONE OTHER VEHICLE WITH A REGISTERED GROSS WEIGHT OF NOT MORE
7 THAN 9,000 POUNDS.

8 SECTION 2. TITLE 75 IS AMENDED BY ADDING A SECTION TO READ:
9 § 1348. SPECIAL PLATES FOR PEARL HARBOR SURVIVORS.

10 UPON APPLICATION OF ANY PERSON WHO IS A SURVIVOR OF PEARL
11 HARBOR, ACCOMPANIED BY A FEE OF \$20 WHICH SHALL BE IN ADDITION
12 TO THE ANNUAL REGISTRATION FEE AND BY SUCH DOCUMENTATION AS THE
13 DEPARTMENT SHALL REQUIRE BY REGULATION, THE DEPARTMENT SHALL
14 ISSUE TO SUCH PERSON A SPECIAL REGISTRATION PLATE DESIGNATING
15 THE VEHICLE SO LICENSED AS BELONGING TO A PERSON WHO IS A
16 SURVIVOR OF PEARL HARBOR. THE SPECIAL REGISTRATION PLATE MAY BE
17 USED ONLY ON ONE PASSENGER VEHICLE OR ONE OTHER VEHICLE WITH A
18 REGISTERED GROSS WEIGHT OF NOT MORE THAN 9,000 POUNDS.

19 SECTION 3. SECTION 1701 OF TITLE 75 IS AMENDED TO READ:
20 § 1701. SHORT TITLE OF CHAPTER.

21 THIS CHAPTER SHALL BE KNOWN AND MAY BE CITED AS THE [MOTOR
22 VEHICLE FINANCIAL RESPONSIBILITY LAW] CONSUMER AUTOMOBILE
23 INSURANCE REFORM ACT.

24 SECTION 4. TITLE 75 IS AMENDED BY ADDING A SECTION TO READ:
25 § 1701.1. FINDINGS AND PURPOSES.

26 (A) FINDINGS.--THE GENERAL ASSEMBLY HEREBY FINDS AND
27 DECLARES THAT:

28 (1) A REASONABLE, COMPREHENSIVE AND FAIR STATEWIDE
29 SYSTEM FOR COMPENSATING AND RESTORING MOTOR VEHICLE ACCIDENT
30 VICTIMS IS NECESSARY FOR THE PROTECTION OF THE CITIZENS OF

1 THIS COMMONWEALTH.

2 (2) IT IS THE COMMONWEALTH'S OBLIGATION TO ENSURE THAT
3 MANDATORY AUTO INSURANCE COVERAGE IS AVAILABLE AT A
4 REASONABLE COST FOR ALL ITS CITIZENS IN ORDER THAT THEY MAY
5 COMPLY WITH THE LAW.

6 (3) MANY COMMONWEALTH CITIZENS ARE UNABLE TO OBTAIN THE
7 BASIC MINIMUM AUTOMOBILE INSURANCE COVERAGE REQUIRED BY THE
8 MOTOR VEHICLE FINANCIAL RESPONSIBILITY LAW DUE TO THE
9 UNAVAILABILITY OF THE COVERAGE IN THEIR AREA OF THE
10 COMMONWEALTH AND DUE TO THE UNREASONABLE COST OF THE
11 COVERAGE. CONSEQUENTLY, MANY CITIZENS DO NOT MAINTAIN
12 REQUIRED AUTOMOBILE INSURANCE, THEREBY DEPRIVING THEMSELVES
13 OF COVERAGE FOR MEDICAL EXPENSES, AND OFTEN PRECLUDING
14 INNOCENT VICTIMS FROM OBTAINING REASONABLE COMPENSATION FOR
15 INJURIES SUFFERED.

16 (4) AUTOMOBILE INSURANCE RATES HAVE INCREASED AT LEAST
17 20% SINCE LATE 1986 AND WILL CONTINUE TO ESCALATE UNDER THE
18 MOTOR VEHICLE FINANCIAL RESPONSIBILITY LAW, RENDERING BASIC
19 MINIMUM COVERAGE UNAFFORDABLE TO A LARGE NUMBER OF THIS
20 COMMONWEALTH'S CITIZENS.

21 (5) THE MAJOR CAUSE FOR ESCALATING AUTO INSURANCE RATES
22 IS THE HIGH FREQUENCY OF SMALL BODILY INJURY CLAIMS.

23 (6) THE ESTABLISHMENT OF AN OPTIONAL VERBAL CLAIMS
24 THRESHOLD IN CONJUNCTION WITH MANDATORY FIRST PARTY BENEFITS
25 WILL ELIMINATE UP TO 90% OF BODILY INJURY LIABILITY CLAIMS
26 RESULTING FROM MINOR MOTOR VEHICLE ACCIDENTS FOR THOSE
27 ELECTING THE LIMITED TORT OPTION. THE THRESHOLD WILL SERVE TO
28 REDUCE THE COST OF PROVIDING AUTO INSURANCE WHILE PROVIDING
29 FOR THE ADEQUATE PROTECTION OF INJURED VICTIMS.

30 (B) PURPOSE.--IT IS HEREBY DECLARED TO BE THE POLICY OF THE

1 GENERAL ASSEMBLY TO ESTABLISH A COMPREHENSIVE SYSTEM WHICH WILL
2 ASSURE THE AVAILABILITY AND REASONABLE COST OF AUTOMOBILE
3 INSURANCE COVERAGE THROUGH THE PRIVATE SECTOR. THE ESTABLISHMENT
4 OF A FAIR AND EQUITABLE MOTOR VEHICLE INSURANCE SYSTEM WILL
5 FURTHER THE HEALTH AND WELFARE OF THE CITIZENS OF THIS
6 COMMONWEALTH BY PROVIDING PROMPT MEDICAL CARE TO MOTOR VEHICLE
7 ACCIDENT VICTIMS AND PROVIDING REASONABLE COMPENSATION TO
8 SERIOUSLY INJURED MOTOR VEHICLE ACCIDENT VICTIMS.

9 SECTION 5. THE DEFINITION OF "INSURED" IN SECTION 1702 OF
10 TITLE 75 IS AMENDED AND THE SECTION IS AMENDED BY ADDING
11 DEFINITIONS TO READ:

12 § 1702. DEFINITIONS.

13 THE FOLLOWING WORDS AND PHRASES WHEN USED IN THIS CHAPTER
14 SHALL HAVE THE MEANINGS GIVEN TO THEM IN THIS SECTION UNLESS THE
15 CONTEXT CLEARLY INDICATES OTHERWISE:

16 * * *

17 "COMMISSIONER." THE INSURANCE COMMISSIONER OF THE
18 COMMONWEALTH.

19 * * *

20 "ELIGIBLE DRIVER." ANY APPLICANT FOR A MOTOR VEHICLE
21 INSURANCE POLICY, EXCEPT AN APPLICANT DETERMINED TO BE AN
22 INELIGIBLE DRIVER UNDER SECTION 1741.1 (RELATING TO INELIGIBLE
23 DRIVERS).

24 * * *

25 "INSURED." ANY OF THE FOLLOWING:

26 (1) AN INDIVIDUAL IDENTIFIED BY NAME AS AN INSURED IN A
27 POLICY OF MOTOR VEHICLE LIABILITY INSURANCE.

28 (2) IF RESIDING IN THE HOUSEHOLD OF THE NAMED INSURED[:
29 (I)]_ A SPOUSE OR OTHER RELATIVE OF THE NAMED
30 INSURED[;]_ OR

1 [(II)] A MINOR IN THE CUSTODY OF EITHER THE NAMED
2 INSURED OR RELATIVE OF THE NAMED INSURED, UNLESS SUCH
3 SPOUSE, RELATIVE OR MINOR HAS REQUESTED TO BE EXCLUDED
4 FROM COVERAGE AND IS INSURED ON ANOTHER POLICY OF MOTOR
5 VEHICLE LIABILITY INSURANCE.

6 * * *

7 "NECESSARY MEDICAL TREATMENT AND REHABILITATIVE SERVICES."
8 TREATMENT, ACCOMMODATIONS, PRODUCTS OR SERVICES WHICH ARE
9 DETERMINED TO BE NECESSARY BY A LICENSED HEALTH CARE PROVIDER
10 UNLESS THEY SHALL HAVE BEEN FOUND OR DETERMINED TO BE
11 UNNECESSARY BY A PEER REVIEW ORGANIZATION (PRO).

12 "NONECONOMIC LOSS." PAIN AND SUFFERING AND SIMILAR
13 NONMONETARY DETRIMENT.

14 "PEER REVIEW ORGANIZATION" OR "PRO." ANY PEER REVIEW
15 ORGANIZATION WITH WHICH THE FEDERAL HEALTH CARE FINANCING AGENCY
16 OR THE COMMONWEALTH CONTRACTS FOR MEDICAL REVIEW OF MEDICARE OR
17 MEDICAL ASSISTANCE SERVICES, OR ANY HEALTH CARE REVIEW
18 COMMITTEE, APPROVED BY THE INSURANCE COMMISSIONER, THAT ENGAGES
19 IN PEER REVIEW FOR THE PURPOSE OF DETERMINING THAT MEDICAL AND
20 REHABILITATION SERVICES ARE MEDICALLY NECESSARY AND ECONOMICALLY
21 PROVIDED.

22 "PRIVATE PASSENGER MOTOR VEHICLE." A MOTOR VEHICLE OF THE
23 PRIVATE PASSENGER OR STATION WAGON TYPE THAT IS NOT USED AS A
24 PUBLIC OR LIVERY CONVEYANCE FOR PASSENGERS AND IS NOT RENTED TO
25 OTHERS, OR ANY FOUR-WHEEL MOTOR VEHICLE WITH A GROSS WEIGHT NOT
26 EXCEEDING 9,000 POUNDS WHICH IS NOT PRINCIPALLY USED IN THE
27 OCCUPATION, PROFESSION OR BUSINESS OF THE INSURED OTHER THAN
28 FARMING. THE TERM DOES NOT INCLUDE ANY MOTOR VEHICLE INSURED
29 UNDER A POLICY COVERING GARAGE, AUTOMOBILE SALES AGENCY REPAIR
30 SHOP, SERVICE STATIONS OR PUBLIC PARKING PLACE OPERATION

1 HAZARDS.

2 * * *

3 "SERIOUS INJURY." A PERSONAL INJURY WHICH RESULTS IN DEATH;
4 DISMEMBERMENT; SIGNIFICANT DISFIGUREMENT; A FRACTURE; LOSS OF A
5 FETUS; PERMANENT LOSS OF USE OF A BODY ORGAN, MEMBER, FUNCTION
6 OR SYSTEM; PERMANENT CONSEQUENTIAL LIMITATION OF USE OF A BODY
7 ORGAN OR MEMBER; SIGNIFICANT LIMITATION OF USE OF A BODY
8 FUNCTION OR SYSTEM; OR A MEDICALLY DETERMINED INJURY OR
9 IMPAIRMENT OF A NONPERMANENT NATURE WHICH PREVENTS THE INJURED
10 PERSON FROM PERFORMING SUBSTANTIALLY ALL OF THE MATERIAL ACTS
11 WHICH CONSTITUTE SUCH PERSON'S USUAL AND CUSTOMARY DAILY
12 ACTIVITIES FOR NOT LESS THAN 90 DAYS DURING THE 180 DAYS
13 IMMEDIATELY FOLLOWING THE OCCURRENCE OF THE INJURY OR
14 IMPAIRMENT.

15 * * *

16 SECTION 6. TITLE 75 IS AMENDED BY ADDING A SECTION TO READ:
17 § 1705. ELECTION OF TORT OPTIONS.

18 (A) FINANCIAL RESPONSIBILITY REQUIREMENTS.--

19 (1) EACH INSURER, PRIOR TO ISSUANCE OR RENEWAL OF A
20 MOTOR VEHICLE LIABILITY INSURANCE POLICY ON AND AFTER THE
21 EFFECTIVE DATE OF THIS SECTION, SHALL NOTIFY, IN WRITING,
22 EACH APPLICANT AND EACH NAMED INSURED OF THE AVAILABILITY OF
23 THE TWO ALTERNATIVES OF FULL TORT INSURANCE AND LIMITED TORT
24 INSURANCE DESCRIBED IN SUBSECTIONS (B) AND (C). THE NOTICE
25 SHALL BE IN A STANDARDIZED FORM PROMULGATED BY THE
26 COMMISSIONER AND SHALL INCLUDE A COMPARISON OF THE PREMIUMS
27 THAT WOULD BE CHARGED UNDER EACH OPTION. ANY PERSON SIGNING,
28 OR OTHERWISE BOUND BY, A DOCUMENT CONTAINING SUCH TERMS IS
29 BOUND BY SUCH ELECTION AND IS PRECLUDED FROM CLAIMING
30 LIABILITY OF ANY PERSON BASED UPON BEING INADEQUATELY

1 INFORMED IN MAKING THE ELECTION BETWEEN FULL TORT OR LIMITED
2 TORT ALTERNATIVES.

3 (2) IF AN INSURED OR ANY PERSON WHO RECEIVES A NOTICE
4 UNDER PARAGRAPH (1) AND DOES NOT INDICATE A CHOICE, THE OWNER
5 AND THOSE HE IS EMPOWERED BY THIS SECTION TO BIND BY HIS
6 CHOICE ARE PRESUMED TO HAVE CHOSEN THE FULL TORT ALTERNATIVE
7 UNTIL SUCH TIME AS A WRITTEN ELECTION IS RECEIVED BY THE
8 INSURER. IF AN INSURED FAILS TO RESPOND TO THE NOTICE
9 REQUIRED BY PARAGRAPH (1), THE INSURER SHALL SEND A SECOND
10 NOTICE.

11 (3) AN OWNER OF A CURRENTLY REGISTERED MOTOR VEHICLE WHO
12 DOES NOT HAVE FINANCIAL RESPONSIBILITY SHALL BE DEEMED TO
13 HAVE CHOSEN THE LIMITED TORT ALTERNATIVE.

14 (4) NOTHING IN THIS SECTION CHANGES OR MODIFIES THE
15 EXISTING REQUIREMENT THAT OWNERS OF REGISTERED VEHICLES
16 MAINTAIN BODILY INJURY AND PROPERTY DAMAGE LIABILITY
17 INSURANCE ARISING OUT OF THE OWNERSHIP, MAINTENANCE OR USE OF
18 A MOTOR VEHICLE.

19 (B) FULL TORT INSURANCE ALTERNATIVE.--

20 (1) FULL TORT INSURANCE COVERS EACH PERSON WHO IS:

21 (I) A NAMED INSURED UNDER A MOTOR VEHICLE INSURANCE
22 POLICY.

23 (II) THE SPOUSE, OTHER RELATIVE OR DEPENDENT
24 RESIDING IN THE SAME HOUSEHOLD OF A NAMED INSURED.

25 (III) ANYONE OPERATING THE VEHICLE WITH THE
26 PERMISSION OF THE OWNER.

27 FULL TORT INSURANCE COVERAGE SHALL BE FOR THE LEGAL LIABILITY
28 FOR BODILY INJURY, INCLUDING DEATH, AND PROPERTY DAMAGE
29 ARISING OUT OF THE OWNERSHIP, MAINTENANCE OR USE OF THE
30 VEHICLE TO THE APPLICABLE LIMITS OF LIABILITY, EXCLUSIVE OF

1 INTEREST AND COSTS.

2 (2) EACH PERSON WHO IS A NAMED INSURED UNDER A FULL TORT
3 INSURANCE POLICY, EACH PERSON BOUND BY THE ELECTION OF THE
4 NAMED INSURED AND COVERED UNDER A POLICY ISSUED UNDER THE
5 FULL TORT ALTERNATIVE, AND EACH PERSON WHO IS AN OCCUPANT OF
6 A MOTOR VEHICLE INSURED UNDER THE FULL TORT INSURANCE
7 ALTERNATIVE, UNLESS SUCH PERSON IS AN INSURED UNDER AN
8 INSURANCE POLICY ISSUED UNDER THE LIMITED TORT ALTERNATIVE,
9 MAY OBTAIN COMPENSATION FOR NONECONOMIC LOSS CLAIMED AND
10 ECONOMIC LOSS SUSTAINED IN EXCESS OF APPLICABLE COVERAGE
11 LIMITS IN A MOTOR VEHICLE ACCIDENT AS THE CONSEQUENCE OF THE
12 FAULT OF ANOTHER PERSON PURSUANT TO APPLICABLE TORT LAW.

13 (C) LIMITED TORT INSURANCE ALTERNATIVE.--

14 (1) LIMITED TORT INSURANCE COVERS EACH PERSON WHO IS:

15 (I) A NAMED INSURED UNDER A MOTOR VEHICLE INSURANCE
16 POLICY.

17 (II) THE SPOUSE, OTHER RELATIVE OR DEPENDENT
18 RESIDING IN THE SAME HOUSEHOLD OF A NAMED INSURED.

19 (III) ANYONE OPERATING THE VEHICLE WITH THE
20 PERMISSION OF THE OWNER.

21 (2) EACH PERSON WHO IS A NAMED INSURED UNDER A LIMITED
22 TORT INSURANCE POLICY, EACH PERSON BOUND BY THE ELECTION OF
23 THE NAMED INSURED AND COVERED UNDER A POLICY ISSUED UNDER THE
24 LIMITED TORT ALTERNATIVE, AND EACH PERSON WHO IS AN OCCUPANT
25 OF A MOTOR VEHICLE INSURED UNDER THE LIMITED TORT
26 ALTERNATIVE, UNLESS SUCH PERSON IS AN INSURED UNDER AN
27 INSURANCE POLICY ISSUED UNDER THE FULL TORT INSURANCE
28 ALTERNATIVE, SHALL BE PRECLUDED FROM MAINTAINING AN ACTION
29 FOR ANY BODILY INJURY DAMAGES, INCLUDING, BUT NOT LIMITED TO,
30 NONECONOMIC LOSS, UNLESS THE INJURY SUSTAINED IS A SERIOUS

1 INJURY OR AS OTHERWISE PROVIDED IN PARAGRAPH (3).

2 (3) THE TORT LIMITATION UNDER THIS SUBSECTION SHALL NOT
3 APPLY IN ANY OF THE FOLLOWING CIRCUMSTANCES:

4 (I) THE NAMED INSURED OR OTHER OPERATOR OF THE
5 COVERED MOTOR VEHICLE WHO IS BOUND BY THE ELECTION OF THE
6 LIMITED TORT INSURANCE ALTERNATIVE AND WHO SUSTAINS
7 DAMAGES IN A MOTOR VEHICLE ACCIDENT AS THE CONSEQUENCE OF
8 THE FAULT OF ANOTHER PERSON WHO IS CONVICTED OF DRIVING
9 UNDER THE INFLUENCE OF ALCOHOL OR A CONTROLLED OR ILLEGAL
10 DRUG OR SUBSTANCE MAY RECOVER DAMAGES AS IF THE
11 INDIVIDUAL DAMAGED HAD ELECTED THE FULL TORT ALTERNATIVE.

12 (II) A PERSON IN THE BUSINESS OF DESIGNING,
13 MANUFACTURING, REPAIRING, SERVICING OR OTHERWISE
14 MAINTAINING MOTOR VEHICLES REMAINS LIABLE FOR INJURY
15 ARISING OUT OF A DEFECT IN SUCH MOTOR VEHICLE WHICH IS
16 CAUSED BY OR NOT CORRECTED BY AN ACT OR OMISSION IN THE
17 COURSE OF SUCH BUSINESS, OTHER THAN A DEFECT IN A MOTOR
18 VEHICLE WHICH IS OPERATED BY SUCH BUSINESS.

19 (III) A PERSON REMAINS LIABLE FOR INTENTIONALLY
20 INJURING HIMSELF OR ANOTHER PERSON. AN INDIVIDUAL DOES
21 NOT INTENTIONALLY INJURE HIMSELF OR ANOTHER INDIVIDUAL
22 MERELY BECAUSE HIS ACT OR FAILURE TO ACT IS INTENTIONAL
23 OR DONE WITH HIS REALIZATION THAT IT CREATES A GRAVE RISK
24 OF CAUSING INJURY OR THE ACT OR OMISSION CAUSING THE
25 INJURY IS FOR THE PURPOSE OF AVERTING BODILY HARM TO
26 HIMSELF OR ANOTHER INDIVIDUAL.

27 (IV) THE NAMED INSURED OR OTHER OPERATOR OF THE
28 COVERED MOTOR VEHICLE WHO IS BOUND BY THE ELECTION OF THE
29 LIMITED TORT INSURANCE ALTERNATIVE AND WHO SUSTAINS
30 DAMAGES IN A MOTOR VEHICLE ACCIDENT AS THE CONSEQUENCE OF

1 THE FAULT OF ANOTHER PERSON WHO HAS NOT MAINTAINED
2 FINANCIAL RESPONSIBILITY AS REQUIRED BY THIS CHAPTER MAY
3 RECOVER FROM THE PERSONAL ASSETS OF THE AT-FAULT PERSON.
4 NOTHING IN THIS SUBPARAGRAPH SHALL EFFECT THE LIMITATION
5 OF SECTION 1731(D)(2) (RELATING TO AVAILABILITY, SCOPE
6 AND AMOUNT OF COVERAGE).

7 SECTION 7. SECTION 1711 OF TITLE 75 IS AMENDED TO READ:

8 § 1711. REQUIRED BENEFITS.

9 AN INSURER ISSUING OR DELIVERING LIABILITY INSURANCE POLICIES
10 COVERING ANY MOTOR VEHICLE OF THE TYPE REQUIRED TO BE REGISTERED
11 UNDER THIS TITLE, EXCEPT RECREATIONAL VEHICLES NOT INTENDED FOR
12 HIGHWAY USE, MOTORCYCLES, MOTOR-DRIVEN CYCLES OR MOTORIZED
13 PEDALCYCLES OR LIKE TYPE VEHICLES, REGISTERED AND OPERATED IN
14 THIS COMMONWEALTH, SHALL INCLUDE COVERAGE PROVIDING A MEDICAL
15 BENEFIT IN THE AMOUNT OF \$10,000[,] AND AN INCOME LOSS BENEFIT
16 UP TO A MONTHLY MAXIMUM OF \$1,000 UP TO A MAXIMUM BENEFIT OF
17 \$5,000 [AND A FUNERAL BENEFIT IN THE AMOUNT OF \$1,500], AS
18 DEFINED IN SECTION 1712 (RELATING TO AVAILABILITY OF BENEFITS),
19 WITH RESPECT TO INJURY ARISING OUT OF THE MAINTENANCE OR USE OF
20 A MOTOR VEHICLE. THE INCOME LOSS BENEFIT PROVIDED UNDER THIS
21 SECTION MAY BE EXPRESSLY WAIVED BY THE NAMED INSURED PROVIDED
22 THE NAMED INSURED HAS NO EXPECTATION OF ACTUAL INCOME LOSS DUE
23 TO AGE, DISABILITY OR LACK OF EMPLOYMENT HISTORY. AT THE
24 ELECTION OF THE NAMED INSURED, SUCH POLICY SHALL ALSO INCLUDE AN
25 EXTRAORDINARY MEDICAL BENEFIT AS DESCRIBED IN SECTION
26 1715(A)(1.1) AND (D) (RELATING TO AVAILABILITY OF ADEQUATE
27 LIMITS).

28 SECTION 8. SECTION 1712 OF TITLE 75 IS AMENDED TO READ:

29 § 1712. AVAILABILITY OF BENEFITS.

30 AN INSURER ISSUING OR DELIVERING LIABILITY INSURANCE POLICIES

1 COVERING ANY MOTOR VEHICLE OF THE TYPE REQUIRED TO BE REGISTERED
2 UNDER THIS TITLE, EXCEPT RECREATIONAL VEHICLES NOT INTENDED FOR
3 HIGHWAY USE, MOTORCYCLES, MOTOR-DRIVEN CYCLES OR MOTORIZED
4 PEDALCYCLES OR LIKE TYPE VEHICLES, REGISTERED AND OPERATED IN
5 THIS COMMONWEALTH, SHALL MAKE AVAILABLE FOR PURCHASE FIRST PARTY
6 BENEFITS WITH RESPECT TO INJURY ARISING OUT OF THE MAINTENANCE
7 OR USE OF A MOTOR VEHICLE AS FOLLOWS:

8 (1) MEDICAL BENEFIT.--[COVERAGE] SUBJECT TO THE
9 LIMITATIONS OF SECTION 1797 (RELATING TO CUSTOMARY CHARGES
10 FOR TREATMENT), COVERAGE TO PROVIDE FOR REASONABLE AND
11 NECESSARY MEDICAL TREATMENT AND REHABILITATIVE SERVICES,
12 INCLUDING, BUT NOT LIMITED TO, HOSPITAL, DENTAL, SURGICAL,
13 PSYCHIATRIC, PSYCHOLOGICAL, OSTEOPATHIC, AMBULANCE,
14 CHIROPRACTIC, LICENSED PHYSICAL THERAPY, NURSING SERVICES,
15 VOCATIONAL REHABILITATION AND OCCUPATIONAL THERAPY, SPEECH
16 PATHOLOGY AND AUDIOLOGY, OPTOMETRIC SERVICES, MEDICATIONS,
17 MEDICAL SUPPLIES AND PROSTHETIC DEVICES, ALL WITHOUT
18 LIMITATION AS TO TIME, PROVIDED THAT, WITHIN 18 MONTHS FROM
19 THE DATE OF THE ACCIDENT CAUSING INJURY, IT IS ASCERTAINABLE
20 WITH REASONABLE MEDICAL PROBABILITY THAT FURTHER EXPENSES MAY
21 BE INCURRED AS A RESULT OF THE INJURY. BENEFITS UNDER THIS
22 PARAGRAPH MAY INCLUDE ANY NONMEDICAL REMEDIAL CARE AND
23 TREATMENT RENDERED IN ACCORDANCE WITH A RECOGNIZED RELIGIOUS
24 METHOD OF HEALING.

25 (2) INCOME LOSS BENEFIT.--INCLUDES THE FOLLOWING:

26 (I) EIGHTY PERCENT OF ACTUAL LOSS OF GROSS INCOME.

27 (II) REASONABLE EXPENSES ACTUALLY INCURRED FOR
28 HIRING A SUBSTITUTE TO PERFORM SELF-EMPLOYMENT SERVICES
29 THEREBY MITIGATING LOSS OF GROSS INCOME OR FOR HIRING
30 SPECIAL HELP THEREBY ENABLING A PERSON TO WORK AND

MITIGATE LOSS OF GROSS INCOME.
INCOME LOSS DOES NOT INCLUDE LOSS OF EXPECTED INCOME FOR ANY
PERIOD FOLLOWING THE DEATH OF AN INDIVIDUAL OR EXPENSES
INCURRED FOR SERVICES PERFORMED FOLLOWING THE DEATH OF AN
INDIVIDUAL. INCOME LOSS SHALL NOT COMMENCE UNTIL FIVE WORKING
DAYS HAVE BEEN LOST AFTER THE DATE OF THE ACCIDENT.

(3) ACCIDENTAL DEATH BENEFIT.--A DEATH BENEFIT PAID TO
THE PERSONAL REPRESENTATIVE OF THE INSURED, SHOULD INJURY
RESULTING FROM A MOTOR VEHICLE ACCIDENT CAUSE DEATH WITHIN 24
MONTHS FROM THE DATE OF THE ACCIDENT.

(4) FUNERAL BENEFIT.--EXPENSES DIRECTLY RELATED TO THE
FUNERAL, BURIAL, CREMATION OR OTHER FORM OF DISPOSITION OF
THE REMAINS OF A DECEASED INDIVIDUAL, INCURRED AS A RESULT OF
THE DEATH OF THE INDIVIDUAL AS A RESULT OF THE ACCIDENT AND
WITHIN 24 MONTHS FROM THE DATE OF THE ACCIDENT.

(5) COMBINATION BENEFIT.--A COMBINATION OF BENEFITS
DESCRIBED IN PARAGRAPHS (1) THROUGH (4) AS AN ALTERNATIVE TO
THE SEPARATE PURCHASE OF THOSE BENEFITS.

(6) UNINSURED AND UNDERINSURED MOTORIST COVERAGE.

SECTION 9. SECTION 1715(A) OF TITLE 75 IS AMENDED TO READ:

§ 1715. AVAILABILITY OF ADEQUATE LIMITS.

(A) GENERAL RULE.--AN INSURER SHALL MAKE AVAILABLE FOR
PURCHASE FIRST PARTY BENEFITS AS FOLLOWS:

(1) FOR MEDICAL BENEFITS, UP TO AT LEAST \$100,000.

(1.1) FOR EXTRAORDINARY MEDICAL BENEFITS, FROM \$100,000
TO \$1,100,000, WHICH MAY BE OFFERED IN INCREMENTS OF
\$100,000, AS LIMITED BY SUBSECTION (D).

(2) FOR INCOME LOSS BENEFITS, UP TO AT LEAST \$2,500 PER
MONTH UP TO A MAXIMUM BENEFIT OF AT LEAST \$50,000.

(3) FOR ACCIDENTAL DEATH BENEFITS, UP TO AT LEAST

1 \$25,000.

2 (4) FOR FUNERAL BENEFITS, \$2,500.

3 (5) FOR COMBINATION OF BENEFITS ENUMERATED IN PARAGRAPHS
4 (1) THROUGH (4) AND SUBJECT TO A LIMIT ON THE ACCIDENTAL
5 DEATH BENEFIT OF UP TO \$25,000 AND A LIMIT ON THE FUNERAL
6 BENEFIT OF \$2,500, UP TO AT LEAST [\$277,500] \$177,500 OF
7 BENEFITS IN THE AGGREGATE OR BENEFITS PAYABLE UP TO THREE
8 YEARS FROM THE DATE OF THE ACCIDENT, WHICHEVER OCCURS FIRST,
9 PROVIDED THAT NOTHING CONTAINED IN THIS SUBSECTION SHALL BE
10 CONSTRUED TO LIMIT, REDUCE, MODIFY OR CHANGE THE PROVISIONS
11 OF SUBSECTION (D).

12 (6) FOR UNINSURED AND UNDERINSURED COVERAGE, THE
13 STACKING OF LIMITS OF COVERAGE OF MULTIPLE MOTOR VEHICLES
14 COVERED UNDER THE SAME POLICY OF INSURANCE OR MULTIPLE MOTOR
15 VEHICLES POLICIES COVERING THE INDIVIDUAL FOR THE SAME LOSS.

16 (7) UNINSURED AND UNDERINSURED MOTORIST COVERAGE IN
17 AMOUNTS AT LEAST EQUAL TO THE MOTOR VEHICLE LIABILITY
18 INSURANCE REQUIRED UNDER THIS CHAPTER.

19 * * *

20 SECTION 10. SECTION 1717 OF TITLE 75 IS AMENDED TO READ:

21 § 1717. STACKING OF BENEFITS.

22 FIRST PARTY BENEFITS AND, UNLESS STATED IN THE POLICY,
23 UNINSURED AND UNDERINSURED MOTORIST COVERAGE SHALL NOT BE
24 INCREASED BY STACKING THE LIMITS OF COVERAGE OF:

25 (1) MULTIPLE MOTOR VEHICLES COVERED UNDER THE SAME
26 POLICY OF INSURANCE; OR

27 (2) MULTIPLE MOTOR VEHICLE POLICIES COVERING THE
28 INDIVIDUAL FOR THE SAME LOSS.

29 SECTION 11. SECTION 1722 OF TITLE 75 IS AMENDED TO READ:

30 § 1722. PRECLUSION OF PLEADING, PROVING AND RECOVERING REQUIRED

1 BENEFITS.

2 IN ANY ACTION FOR DAMAGES AGAINST A TORTFEASOR ARISING OUT OF
3 THE MAINTENANCE OR USE OF A MOTOR VEHICLE, A PERSON WHO IS
4 ELIGIBLE TO RECEIVE BENEFITS UNDER THE COVERAGES SET FORTH IN
5 [SECTION 1711 (RELATING TO REQUIRED BENEFITS) OR THE COVERAGE
6 SET FORTH IN SECTION 1715(A)(1.1) (RELATING TO AVAILABILITY OF
7 ADEQUATE LIMITS)] THIS SUBCHAPTER SHALL BE PRECLUDED FROM
8 PLEADING, INTRODUCING INTO EVIDENCE OR RECOVERING THE AMOUNT OF
9 BENEFITS PAID OR PAYABLE UNDER [SECTION 1711 OR 1715(A)(1.1).
10 THIS PRECLUSION APPLIES ONLY TO THE AMOUNT OF BENEFITS SET FORTH
11 IN SECTIONS 1711 AND 1715(A)(1.1)] THIS SUBCHAPTER.

12 SECTION 12. TITLE 75 IS AMENDED BY ADDING A SECTION TO READ:

13 § 1725. AVAILABILITY OF INSURANCE.

14 (A) ELIGIBLE DRIVERS.--NO INSURERS ISSUING OR DELIVERING
15 LIABILITY INSURANCE POLICIES UNDER THIS CHAPTER SHALL REFUSE TO
16 ISSUE OR RENEW, UPON PAYMENT OF THE PREMIUM, AN INSURANCE POLICY
17 TO AN ELIGIBLE DRIVER.

18 (B) INELIGIBLE DRIVERS.--AN INSURER ISSUING OR DELIVERING
19 LIABILITY INSURANCE POLICIES UNDER THIS CHAPTER MAY ISSUE OR
20 RENEW, UPON PAYMENT OF THE PREMIUM, AN INSURANCE POLICY TO A
21 PERSON DETERMINED TO BE AN INELIGIBLE DRIVER UNDER SECTION
22 1741.1 (RELATING TO INELIGIBLE DRIVERS).

23 SECTION 13. SECTION 1731(A) AND (D) OF TITLE 75 ARE AMENDED
24 TO READ:

25 § 1731. [SCOPE] AVAILABILITY, SCOPE AND AMOUNT OF COVERAGE.

26 (A) [GENERAL RULE] MANDATORY OFFERING.--NO MOTOR VEHICLE
27 LIABILITY INSURANCE POLICY SHALL BE DELIVERED OR ISSUED FOR
28 DELIVERY IN THIS COMMONWEALTH, WITH RESPECT TO ANY MOTOR VEHICLE
29 REGISTERED OR PRINCIPALLY GARAGED IN THIS COMMONWEALTH, UNLESS
30 UNINSURED MOTORIST AND UNDERINSURED MOTORIST COVERAGES ARE

1 [PROVIDED] OFFERED THEREIN OR SUPPLEMENTAL THERETO IN AMOUNTS
2 [EQUAL TO THE BODILY INJURY LIABILITY COVERAGE EXCEPT] AS
3 PROVIDED IN SECTION 1734 (RELATING TO REQUEST FOR LOWER OR
4 HIGHER LIMITS OF COVERAGE). PURCHASE OF UNINSURED MOTORIST AND
5 UNDERINSURED MOTORIST COVERAGES IS OPTIONAL.

6 * * *

7 (D) LIMITATION ON RECOVERY.--

8 (1) A PERSON WHO RECOVERS DAMAGES UNDER UNINSURED
9 MOTORIST COVERAGE OR COVERAGES CANNOT RECOVER DAMAGES UNDER
10 UNDERINSURED MOTORIST COVERAGE OR COVERAGES FOR THE SAME
11 ACCIDENT.

12 (2) A PERSON PRECLUDED FROM MAINTAINING AN ACTION FOR
13 DAMAGES UNDER SECTION 1705(C)(2) (RELATING TO ELECTION OF
14 TORT OPTIONS) MAY NOT RECOVER UNINSURED MOTORIST COVERAGE OR
15 UNDERINSURED MOTORIST COVERAGE.

16 (3) RECOVERY OF UNDERINSURED MOTORIST COVERAGE SHALL NOT
17 EXCEED THE DIFFERENCE BETWEEN THE APPLICABLE UNDERINSURED
18 MOTORIST COVERAGE LIMIT AND THE APPLICABLE LIABILITY LIMITS.

19 SECTION 14. SECTION 1732 OF TITLE 75 IS REPEALED.

20 SECTION 15. SECTIONS 1733, 1734 AND 1741 OF TITLE 75 ARE
21 AMENDED TO READ:

22 § 1733. PRIORITY OF RECOVERY.

23 [WHERE MULTIPLE POLICIES APPLY, PAYMENT SHALL BE MADE IN THE
24 FOLLOWING ORDER OF PRIORITY:

25 (1) A POLICY COVERING A MOTOR VEHICLE OCCUPIED BY THE
26 INJURED PERSON AT THE TIME OF THE ACCIDENT.

27 (2) A POLICY COVERING A MOTOR VEHICLE NOT INVOLVED IN
28 THE ACCIDENT WITH RESPECT TO WHICH THE INJURED PERSON IS AN
29 INSURED.]

30 (A) GENERAL RULE.--A PERSON SHALL RECOVER UNINSURED AND

1 UNDERINSURED BENEFITS AGAINST APPLICABLE INSURANCE COVERAGE IN
2 THE FOLLOWING ORDER OF PRIORITY:

3 (1) FOR A NAMED INSURED, THE POLICY ON WHICH HE IS THE
4 NAMED INSURED.

5 (2) FOR AN INSURED, THE POLICY COVERING THE INSURED.

6 (B) MULTIPLE SOURCES OF EQUAL PRIORITY.--THE INSURER AGAINST
7 WHOM A CLAIM IS ASSERTED FIRST UNDER THE PRIORITIES SET FORTH IN
8 SUBSECTION (A) SHALL PROCESS AND PAY THE CLAIM AS IF WHOLLY
9 RESPONSIBLE. THE INSURER IS THEREAFTER ENTITLED TO RECOVER
10 CONTRIBUTION PRO RATA FROM ANY OTHER INSURER FOR THE BENEFITS
11 PAID AND THE COSTS OF PROCESSING THE CLAIM.

12 § 1734. REQUEST FOR LOWER [OR HIGHER] LIMITS OF COVERAGE.

13 A NAMED INSURED MAY REQUEST IN WRITING THE ISSUANCE OF
14 COVERAGES UNDER SECTION 1731 (RELATING TO SCOPE AND AMOUNT OF
15 COVERAGE) IN AMOUNTS EQUAL TO OR LESS THAN THE LIMITS OF
16 LIABILITY FOR BODILY INJURY BUT IN NO EVENT LESS THAN THE
17 AMOUNTS REQUIRED BY THIS CHAPTER FOR BODILY INJURY. [IF THE
18 NAMED INSURED HAS SELECTED UNINSURED AND UNDERINSURED MOTORIST
19 COVERAGE IN CONNECTION WITH A POLICY PREVIOUSLY ISSUED TO HIM BY
20 THE SAME INSURER UNDER SECTION 1731, THE COVERAGES OFFERED NEED
21 NOT BE PROVIDED IN EXCESS OF THE LIMITS OF LIABILITY PREVIOUSLY
22 ISSUED FOR UNINSURED AND UNDERINSURED MOTORIST COVERAGE UNLESS
23 THE NAMED INSURED REQUESTS IN WRITING HIGHER LIMITS OF LIABILITY
24 FOR THOSE COVERAGES.]

25 § 1741. ESTABLISHMENT.

26 THE INSURANCE DEPARTMENT SHALL, AFTER CONSULTATION WITH THE
27 INSURERS LICENSED TO WRITE MOTOR VEHICLE LIABILITY INSURANCE IN
28 THIS COMMONWEALTH, ADOPT A REASONABLE ASSIGNED RISK PLAN FOR THE
29 EQUITABLE APPORTIONMENT AMONG THOSE INSURERS OF APPLICANTS FOR
30 MOTOR VEHICLE LIABILITY INSURANCE WHO ARE [ENTITLED TO, BUT ARE

UNABLE TO, PROCURE INSURANCE THROUGH ORDINARY METHODS]
INELIGIBLE DRIVERS. WHEN THE PLAN HAS BEEN ADOPTED, ALL MOTOR
VEHICLE LIABILITY INSURERS SHALL SUBSCRIBE THERETO AND SHALL
PARTICIPATE IN THE PLAN. THE PLAN MAY PROVIDE REASONABLE MEANS
FOR THE TRANSFER OF INDIVIDUALS INSURED THEREUNDER INTO THE
ORDINARY MARKET, AT THE SAME OR LOWER RATES, PURSUANT TO
REGULATIONS ESTABLISHED BY THE DEPARTMENT.

SECTION 16. TITLE 75 IS AMENDED BY ADDING A SECTION TO READ:
§ 1741.1. INELIGIBLE DRIVERS.

AN INELIGIBLE DRIVER IS A PERSON WHO MEETS AT LEAST ONE OF
THE FOLLOWING CRITERIA:

(1) THE PERSON HAS, WITHIN FIVE YEARS OF THE DATE OF
APPLICATION FOR INSURANCE, BEEN CONVICTED OF A VIOLATION OF:

(I) SECTION 3731 (RELATING TO DRIVING UNDER
INFLUENCE OF ALCOHOL OR CONTROLLED SUBSTANCE);

(II) ANY OFFENSE INVOLVING FRAUDULENT CONDUCT
RELATING TO INSURANCE COVERAGE OR THE FILING OR
MAINTENANCE OF A MOTOR VEHICLE INSURANCE CLAIM FOR BODILY
INJURY OR PROPERTY DAMAGE; OR

(III) ANY FELONY INVOLVING THE USE OF A MOTOR
VEHICLE.

(2) THE PERSON HAS PREVIOUSLY BEEN AN INSURED UNDER A
MOTOR VEHICLE INSURANCE POLICY AND HAS:

(I) FAILED TO PAY AN INSURANCE PREMIUM ON OR BEFORE
THE DATE THE PREMIUM WAS DUE; OR

(II) MADE MORE THAN ONE CLAIM UNDER AN INSURANCE
POLICY, WITHIN THREE YEARS OF THE DATE OF APPLICATION FOR
INSURANCE UNDER THIS SUBCHAPTER, ARISING OUT OF AN
ACCIDENT WHERE THE INSURED WAS FOUND TO BE SUBSTANTIALLY
AT FAULT (OVER 50%) AND WHERE A PAYMENT WAS MADE BY THE

1 INSURER THAT EXCEEDED 50% OF THE ANNUAL PREMIUM FOR THE
2 POLICY OF INSURANCE.

3 (3) THE PERSON'S OPERATING PRIVILEGE HAS BEEN SUSPENDED
4 OR REVOKED.

5 (4) THE PERSON'S DRIVING RECORD SHOWS SIX OR MORE POINTS
6 ASSESSED UNDER SECTION 1535 (RELATING TO SCHEDULE OF
7 CONVICTIONS AND POINTS) FOR VIOLATIONS THAT OCCURRED WITHIN
8 THREE YEARS OF THE DATE OF APPLICATION FOR INSURANCE UNDER
9 THIS SUBCHAPTER.

10 SECTION 17. SECTIONS 1753 AND 1754 OF TITLE 75 ARE AMENDED
11 TO READ:

12 § 1753. BENEFITS AVAILABLE.

13 AN ELIGIBLE CLAIMANT MAY RECOVER MEDICAL BENEFITS, AS
14 DESCRIBED IN SECTION 1712(1) (RELATING TO AVAILABILITY OF
15 BENEFITS), UP TO A MAXIMUM OF [\$5,000] \$10,000. NO INCOME LOSS
16 BENEFIT OR ACCIDENTAL DEATH BENEFIT SHALL BE PAYABLE UNDER THIS
17 SUBCHAPTER. FUNERAL EXPENSES, AS DESCRIBED IN SECTION 1712(4),
18 IN THE AMOUNT OF \$1,500 SHALL ALSO BE RECOVERABLE [AS AN OFFSET
19 TO THE MAXIMUM AMOUNT OF MEDICAL BENEFITS AVAILABLE UNDER THIS
20 SECTION].

21 § 1754. ADDITIONAL COVERAGE.

22 AN ELIGIBLE CLAIMANT WHO HAS SUSTAINED A SERIOUS INJURY AND
23 HAS NO OTHER SOURCE OF APPLICABLE UNINSURED MOTORIST COVERAGE
24 AND IS OTHERWISE ENTITLED TO RECOVER IN AN ACTION IN TORT
25 AGAINST A PARTY WHO HAS FAILED TO COMPLY WITH THIS CHAPTER MAY
26 RECOVER FOR LOSSES OR DAMAGES SUFFERED AS A RESULT OF THE INJURY
27 UP TO \$15,000 SUBJECT TO AN AGGREGATE LIMIT FOR ALL CLAIMS
28 ARISING OUT OF ANY ONE MOTOR VEHICLE ACCIDENT OF \$30,000. [IF A
29 CLAIMANT RECOVERS MEDICAL BENEFITS UNDER SECTION 1753 (RELATING
30 TO BENEFITS AVAILABLE), THE AMOUNT OF MEDICAL BENEFITS RECOVERED

1 OR RECOVERABLE UP TO \$5,000 SHALL BE SET OFF AGAINST ANY AMOUNTS
2 RECOVERABLE IN THIS SECTION.]

3 SECTION 18. SECTION 1791 OF TITLE 75 IS AMENDED TO READ:

4 § 1791. NOTICE OF AVAILABLE BENEFITS AND LIMITS.

5 IT SHALL BE PRESUMED THAT THE INSURED HAS BEEN ADVISED OF THE
6 BENEFITS AND LIMITS AVAILABLE UNDER THIS CHAPTER PROVIDED THE
7 FOLLOWING NOTICE IN BOLD PRINT OF AT LEAST TEN-POINT TYPE IS
8 GIVEN TO THE APPLICANT AT THE TIME OF APPLICATION FOR ORIGINAL
9 COVERAGE [OR AT THE TIME OF THE FIRST RENEWAL AFTER OCTOBER 1,
10 1984], AND NO OTHER NOTICE OR REJECTION SHALL BE REQUIRED:

11 IMPORTANT NOTICE

12 INSURANCE COMPANIES OPERATING IN THE COMMONWEALTH OF
13 PENNSYLVANIA ARE REQUIRED BY LAW TO MAKE AVAILABLE FOR
14 PURCHASE THE FOLLOWING BENEFITS FOR YOU, YOUR SPOUSE OR
15 OTHER RELATIVES OR MINORS IN YOUR CUSTODY OR IN THE
16 CUSTODY OF YOUR RELATIVES, RESIDING IN YOUR HOUSEHOLD,
17 OCCUPANTS OF YOUR MOTOR VEHICLE OR PERSONS STRUCK BY YOUR
18 MOTOR VEHICLE:

19 (1) MEDICAL BENEFITS, UP TO AT LEAST \$100,000.

20 (1.1) EXTRAORDINARY MEDICAL BENEFITS, FROM \$100,000
21 TO \$1,100,000 WHICH MAY BE OFFERED IN INCREMENTS OF
22 \$100,000.

23 (2) INCOME LOSS BENEFITS, UP TO AT LEAST \$2,500 PER
24 MONTH UP TO A MAXIMUM BENEFIT OF AT LEAST \$50,000.

25 (3) ACCIDENTAL DEATH BENEFITS, UP TO AT LEAST
26 \$25,000.

27 (4) FUNERAL BENEFITS, \$2,500.

28 (5) AS AN ALTERNATIVE TO PARAGRAPHS (1) THROUGH (4),
29 A COMBINATION BENEFIT, UP TO AT LEAST [\$277,500] \$177,500
30 OF BENEFITS IN THE AGGREGATE OR BENEFITS PAYABLE UP TO

1 THREE YEARS FROM THE DATE OF THE ACCIDENT, WHICHEVER
2 OCCURS FIRST, SUBJECT TO A LIMIT ON ACCIDENTAL DEATH
3 BENEFIT OF UP TO \$25,000 AND A LIMIT ON FUNERAL BENEFIT
4 OF \$2,500, PROVIDED THAT NOTHING CONTAINED IN THIS
5 SUBSECTION SHALL BE CONSTRUED TO LIMIT, REDUCE, MODIFY OR
6 CHANGE THE PROVISIONS OF SECTION 1715(D) (RELATING TO
7 AVAILABILITY OF ADEQUATE LIMITS).

8 (6) UNINSURED, UNDERINSURED AND BODILY INJURY
9 LIABILITY COVERAGE UP TO AT LEAST \$100,000 BECAUSE OF
10 INJURY TO ONE PERSON IN ANY ONE ACCIDENT AND UP TO AT
11 LEAST \$300,000 BECAUSE OF INJURY TO TWO OR MORE PERSONS
12 IN ANY ONE ACCIDENT OR, AT THE OPTION OF THE INSURER, UP
13 TO AT LEAST \$300,000 IN A SINGLE LIMIT FOR THESE
14 COVERAGES, EXCEPT FOR POLICIES ISSUED UNDER THE ASSIGNED
15 RISK PLAN. ALSO, AT LEAST \$5,000 FOR DAMAGE TO PROPERTY
16 OF OTHERS IN ANY ONE ACCIDENT.
17 ADDITIONALLY, INSURERS MAY OFFER HIGHER BENEFIT LEVELS
18 THAN THOSE ENUMERATED ABOVE AS WELL AS ADDITIONAL
19 BENEFITS. HOWEVER, AN INSURED MAY ELECT TO PURCHASE LOWER
20 BENEFIT LEVELS THAN THOSE ENUMERATED ABOVE.

21 YOUR SIGNATURE ON THIS NOTICE OR YOUR PAYMENT OF ANY
22 RENEWAL PREMIUM EVIDENCES YOUR ACTUAL KNOWLEDGE AND
23 UNDERSTANDING OF THE AVAILABILITY OF THESE BENEFITS AND
24 LIMITS AS WELL AS THE BENEFITS AND LIMITS YOU HAVE
25 SELECTED.

26 IF YOU HAVE ANY QUESTIONS OR YOU DO NOT UNDERSTAND ALL OF
27 THE VARIOUS OPTIONS AVAILABLE TO YOU, CONTACT YOUR AGENT
28 TO OBTAIN THE ANSWERS TO YOUR QUESTIONS.

29 IF YOU DO NOT UNDERSTAND ANY OF THE PROVISIONS CONTAINED
30 IN THIS NOTICE, CONTACT YOUR AGENT TO GET AN EXPLANATION

1 BEFORE YOU SIGN.

2 SECTION 19. SECTIONS 1792 AND 1797 OF TITLE 75 ARE AMENDED
3 TO READ:

4 § 1792. AVAILABILITY OF UNINSURED, UNDERINSURED, BODILY INJURY
5 LIABILITY AND PROPERTY DAMAGE COVERAGES AND PHYSICAL
6 DAMAGES.

7 EXCEPT FOR POLICIES ISSUED UNDER SUBCHAPTER D (RELATING TO
8 ASSIGNED RISK PLAN), AN INSURER ISSUING A POLICY OF BODILY
9 INJURY LIABILITY COVERAGE PURSUANT TO THIS CHAPTER SHALL MAKE
10 AVAILABLE FOR PURCHASE HIGHER LIMITS OF UNINSURED, UNDERINSURED
11 AND BODILY INJURY LIABILITY COVERAGES UP TO AT LEAST \$100,000
12 BECAUSE OF INJURY TO ONE PERSON IN ANY ONE ACCIDENT AND UP TO AT
13 LEAST \$300,000 BECAUSE OF INJURY TO TWO OR MORE PERSONS IN ANY
14 ONE ACCIDENT OR, AT THE OPTION OF THE INSURER, UP TO AT LEAST
15 \$300,000 IN A SINGLE LIMIT FOR THESE COVERAGES. ADDITIONALLY, AN
16 INSURER SHALL MAKE AVAILABLE FOR PURCHASE AT LEAST \$5,000
17 BECAUSE OF DAMAGE TO PROPERTY OF OTHERS IN ANY ONE ACCIDENT, AND
18 DEDUCTIBLES IN AMOUNTS UP TO AT LEAST \$500 FOR COLLISION AND
19 COMPREHENSIVE COVERAGES. HOWEVER, THE EXCLUSION OF AVAILABILITY
20 RELATING TO THE ASSIGNED RISK PLAN SHALL NOT APPLY TO DAMAGE TO
21 PROPERTY OF OTHERS IN ANY ONE ACCIDENT. ANY PERSON OR ENTITY
22 PROVIDING FINANCING TO THE PURCHASER OF A MOTOR VEHICLE OR
23 OTHERWISE HOLDING A SECURITY INTEREST IN A MOTOR VEHICLE SHALL
24 NOT BE PERMITTED TO REQUIRE THE PURCHASE OF A DEDUCTIBLE FOR
25 LESS THAN \$500 FOR COLLISION AND COMPREHENSIVE COVERAGES. ANY
26 FINANCIAL INSTITUTION, INSURER, AGENT OR OTHER PERSON OR ENTITY
27 FOUND TO HAVE VIOLATED THIS PROVISION SHALL BE REQUIRED TO
28 REIMBURSE THE POLICYHOLDER IN AN AMOUNT EQUAL TO THE DIFFERENCE
29 AND, IN ADDITION, SHALL BE REQUIRED TO PAY A CIVIL PENALTY OF
30 \$500 TO THE DEPARTMENT OF TRANSPORTATION FOR EACH VIOLATION.

§ 1797. CUSTOMARY CHARGES FOR TREATMENT.

(A) GENERAL RULE.--A PERSON OR INSTITUTION PROVIDING TREATMENT, ACCOMMODATIONS, PRODUCTS OR SERVICES TO AN INJURED PERSON FOR AN INJURY COVERED BY [MEDICAL OR CATASTROPHIC LOSS BENEFITS] LIABILITY OR FIRST PARTY MEDICAL BENEFIT FOR A MOTOR VEHICLE DESCRIBED IN SUBCHAPTER B (RELATING TO MOTOR VEHICLE LIABILITY INSURANCE FIRST PARTY BENEFITS), SHALL NOT [MAKE A CHARGE] REQUIRE, REQUEST OR ACCEPT PAYMENT FOR THE TREATMENT, ACCOMMODATIONS, PRODUCTS OR SERVICES IN EXCESS OF [THE AMOUNT THE PERSON OR INSTITUTION CUSTOMARILY CHARGES FOR LIKE TREATMENT, ACCOMMODATIONS, PRODUCTS AND SERVICES IN CASES INVOLVING NO INSURANCE.] 110% OF THE PREVAILING CHARGE AT THE 75TH PERCENTILE, APPLICABLE FEE SCHEDULE, RECOMMENDED FEE , THE INFLATION INDEX CHARGE OR DIAGNOSTIC RELATED GROUPS, WHICHEVER PERTAINS TO THE SPECIALTY SERVICE INVOLVED, DETERMINED TO BE APPLICABLE UNDER THE MEDICARE PROGRAM FOR COMPARABLE SERVICES AT THE TIME THE SERVICES WERE RENDERED, OR THE PROVIDER'S ACTUAL CHARGE, WHICHEVER IS LESS. PROVIDERS SUBJECT TO THIS SECTION MAY NOT BILL THE INSURED DIRECTLY BUT MUST BILL THE INSURER FOR A DETERMINATION OF THE AMOUNT PAYABLE. THE PROVIDER SHALL NOT BILL OR OTHERWISE ATTEMPT TO COLLECT FROM THE INSURED THE DIFFERENCE BETWEEN THE PROVIDER'S FULL CHARGE AND THE AMOUNT PAID BY THE INSURER.

(B) CHALLENGES TO REASONABLENESS OF TREATMENT.--

(1) PEER REVIEW PLAN.--INSURERS SHALL CONTRACT JOINTLY OR SEPARATELY WITH ANY PEER REVIEW ORGANIZATION ESTABLISHED FOR THE PURPOSE OF EVALUATING TREATMENT, HEALTH CARE SERVICES, PRODUCTS OR ACCOMMODATIONS PROVIDED TO ANY INJURED PERSON. THE PEER REVIEW PLAN OF EACH INSURER AND ALL AMENDMENTS THERETO SHALL BE SUBJECT TO THE APPROVAL OF THE

1 COMMISSIONER. THE INITIAL PEER REVIEW PLAN SHALL BE FILED
2 WITHIN 120 DAYS OF THE EFFECTIVE DATE OF THIS SECTION. SUCH
3 EVALUATION SHALL BE FOR THE PURPOSE OF CONFIRMING THAT SUCH
4 TREATMENT, PRODUCTS, SERVICES OR ACCOMMODATIONS CONFORM TO
5 THE PROFESSIONAL STANDARDS OF PERFORMANCE. AN INSURER'S
6 CHALLENGE MUST BE MADE TO A PRO WITHIN 90 DAYS OF THE
7 INSURER'S RECEIPT OF THE PROVIDER'S BILL FOR TREATMENT OR
8 SERVICES.

9 (2) PRO RECOGNITION.--AN INSURER, PROVIDER OR INSURED
10 MAY REQUEST A RECONSIDERATION BY THE PRO OF THE PRO'S INITIAL
11 DETERMINATION. SUCH A REQUEST FOR RECONSIDERATION MUST BE
12 MADE WITHIN 30 DAYS OF THE PRO'S INITIAL DETERMINATION.

13 (3) PENDING DETERMINATIONS BY PRO.--IF THE INSURER
14 CHALLENGES WITHIN 30 DAYS OF RECEIPT OF A BILL FOR MEDICAL
15 TREATMENT OR REHABILITATIVE SERVICES THE INSURER NEED NOT PAY
16 THE PROVIDER SUBJECT TO THE CHALLENGE UNTIL A DETERMINATION
17 HAS BEEN MADE BY THE PRO. THE INSURED MAY NOT BE BILLED FOR
18 ANY TREATMENT, ACCOMMODATIONS, PRODUCTS OR SERVICES DURING
19 THE PEER REVIEW PROCESS.

20 (4) APPEAL TO COURT.--A PROVIDER OF MEDICAL SERVICES OR
21 MERCHANDISE OR AN INSURED MAY CHALLENGE BEFORE A COURT AN
22 INSURER'S REFUSAL TO PAY FOR PAST OR FUTURE MEDICAL SERVICES
23 OR MERCHANDISE, THE REASONABLENESS OR NECESSITY OF WHICH THE
24 INSURER HAS NOT CHALLENGED BEFORE A PRO. CONDUCT CONSIDERED
25 TO BE "WANTON" SHALL BE SUBJECT TO A PAYMENT OF TREBLE
26 DAMAGES TO THE INJURED PARTY.

27 (5) PRO DETERMINATION IN FAVOR OF PROVIDER OR INSURED.--
28 IF A PRO DETERMINES THAT SERVICES OR MERCHANDISE WERE
29 MEDICALLY NECESSARY, THE INSURER MUST PAY TO THE PROVIDER THE
30 OUTSTANDING AMOUNT PLUS INTEREST AT 12% PER YEAR.

1 (6) COURT DETERMINATION IN FAVOR OF PROVIDER OR
2 INSURED.--IF PURSUANT TO PARAGRAPH (4) A COURT DETERMINES
3 THAT SERVICES OR MERCHANDISE WERE MEDICALLY NECESSARY, THE
4 INSURER MUST PAY TO THE PROVIDER THE OUTSTANDING AMOUNT PLUS
5 INTEREST AT 12%, AS WELL AS THE COSTS OF THE CHALLENGE AND
6 ALL ATTORNEY FEES.

7 (7) DETERMINATION IN FAVOR OF INSURER.--IF IT IS
8 DETERMINED BY A PRO OR COURT THAT A PROVIDER HAS PROVIDED
9 UNNECESSARY MEDICAL SERVICES OR MERCHANDISE, THE PROVIDER MAY
10 NOT COLLECT PAYMENT FOR THE MEDICALLY UNNECESSARY SERVICES OR
11 MERCHANDISE. IF THE PROVIDER HAS COLLECTED SUCH PAYMENT, IT
12 MUST RETURN THE AMOUNT PAID PLUS INTEREST AT 12% PER YEAR
13 WITHIN 30 DAYS. IN NO CASE DOES THE FAILURE OF THE PROVIDER
14 TO RETURN THE SAID PAYMENT OBLIGATE THE INSURED TO ASSUME
15 RESPONSIBILITY FOR PAYMENT FOR THE SERVICES OR MERCHANDISE.

16 SECTION 20. TITLE 75 IS AMENDED BY ADDING SECTIONS TO READ:
17 § 1799. RATES.

18 (A) RATE FILING.--ALL INSURERS MUST FILE FOR NEW RATES
19 WITHIN 30 DAYS OF THE EFFECTIVE DATE OF THIS SECTION. THESE
20 RATES SHALL APPLY TO ALL POLICIES ISSUED AND RENEWED ON AND
21 AFTER THE EFFECTIVE DATE OF THIS AMENDATORY ACT.

22 (B) RATE REDUCTIONS.--THE RATES CHARGED BY INSURERS UNDER
23 THE FILING REQUIRED BY SUBSECTION (A) SHALL BE REDUCED BY A
24 MINIMUM OF 25% FOR ALL COVERAGES FROM RATES IN EFFECT JULY 1,
25 1989.

26 § 1799.1. BIDS FOR VEHICLE REPAIRS.

27 IT SHALL BE THE RESPONSIBILITY OF A CLAIMANT FOR PAYMENT FOR
28 DAMAGE TO A VEHICLE TO SUBMIT TO THE INSURER TWO BIDS TO REPAIR
29 THE VEHICLE.

30 § 1799.2. PROCESSING OF DAMAGE CLAIMS.

1 WITHIN THREE DAYS OF THE FILING OF A CLAIM FOR DAMAGE TO A
2 VEHICLE, THE INSURER'S ADJUSTER SHALL CONTACT THE CLAIMANT,
3 PHYSICALLY INSPECT THE VEHICLE AND BEGIN PROCESSING THE CLAIM.
4 § 1799.3. INSURANCE IN CITIES OF THE FIRST CLASS.

5 (A) STUDY BY THE INSURANCE DEPARTMENT.--THE INSURANCE
6 DEPARTMENT SHALL COMMENCE A STUDY WHICH SHALL BE SUBMITTED TO
7 THE GENERAL ASSEMBLY BY MARCH 31, 1990, ON THE USE OF A SINGLE
8 CARRIER FOR AUTOMOBILE INSURANCE IN CITIES OF THE FIRST CLASS.
9 THE TERM "SINGLE CARRIER" INCLUDES A PRIVATE INSURANCE COMPANY
10 OR A PUBLIC AUTHORITY OR AGENCY SPECIFICALLY CREATED FOR THE
11 IMPLEMENTATION OF THIS SECTION. UPON COMPLETION, THE STUDY SHALL
12 BE DELIVERED TO THE MAJORITY AND MINORITY LEADERS OF THE SENATE
13 AND THE HOUSE OF REPRESENTATIVES. THE STUDY SHALL INCLUDE, AT A
14 MINIMUM, THE FOLLOWING COMPONENTS:

15 (1) AN ASSESSMENT OF THE NUMBER OF UNINSURED VEHICLES IN
16 CITIES OF THE FIRST CLASS.

17 (2) AN ASSESSMENT OF THE NUMBER OF INSURED VEHICLES IN
18 CITIES OF THE FIRST CLASS.

19 (3) AN ANALYSIS OF SOURCES OF AUTOMOBILE INSURANCE, BY
20 COMPANY, OF VEHICLES IN CITIES OF THE FIRST CLASS. THE
21 ANALYSIS SHALL INCLUDE A DETERMINATION OF THE NUMBER OF
22 VEHICLES INSURED IN CITIES OF THE FIRST CLASS IN BOTH THE
23 VOLUNTARY MARKET AND THE ASSIGNED RISK PLAN BY EACH INSURANCE
24 CARRIER LICENSED TO PROVIDE AUTOMOBILE INSURANCE IN THIS
25 COMMONWEALTH.

26 (4) AN ANALYSIS OF THE COSTS TO MOTORISTS TO INSURE A
27 VEHICLE IN CITIES OF THE FIRST CLASS IN THE VOLUNTARY MARKET
28 AND THROUGH THE ASSIGNED RISK PLAN.

29 (5) AN ASSESSMENT OF THE IMPACT OF "TAKE-OUT" PROVISIONS
30 ON THE VOLUNTARY MARKET PLACE IN CITIES OF THE FIRST CLASS.

1 (6) A DETERMINATION AS TO THE NUMBER OF LAWSUITS FILED
2 FOR BODILY INJURY CLAIMS; THE AMOUNT AND TYPE OF DAMAGES
3 REQUESTED IN SUCH LAWSUITS; THE PERCENTAGE OF CLAIMS SETTLED
4 BEFORE COURT AND THE AMOUNT OF SETTLEMENT; THE PERCENTAGE OF
5 LAWSUITS DECIDED BY THE COURT AND THE AMOUNT OF DAMAGES
6 AWARDED; AND THE FEES CHARGED BY LAWYERS FOR REPRESENTING
7 CLAIMS.

8 (7) AN ASSESSMENT OF THE FREQUENCY, TYPE AND AMOUNT OF
9 PHYSICAL DAMAGE CLAIMS AND FIRST PARTY MEDICAL PAYMENTS.

10 (8) A DETERMINATION AS TO WHETHER THE USE OF A SINGLE
11 CARRIER IN CITIES OF THE FIRST CLASS WOULD HAVE A POSITIVE
12 FINANCIAL IMPACT ON ALL MOTORISTS IN SUCH CITIES AND IN THIS
13 COMMONWEALTH. SUCH DETERMINATION SHALL INCLUDE AN ANALYSIS OF
14 THE USE OF A PUBLIC AUTHORITY OR AGENCY AS THE SINGLE CARRIER
15 AND OF ITS POTENTIAL FOR PROVIDING LOWER RATES WHEN COMPARED
16 TO USE OF A PRIVATE INSURANCE COMPANY AS A SINGLE CARRIER. IN
17 ADDITION, THE DETERMINATION SHALL INCLUDE AN ANALYSIS OF THE
18 SINGLE CARRIER PROGRAM WHEN VOLUNTARY PARTICIPATION IN THE
19 PROGRAM IS PERMITTED IN COMPARISON TO THE BENEFITS OF
20 MANDATORY PARTICIPATION.

21 (9) A LEGAL OPINION AS TO WHETHER THE USE OF A SINGLE
22 CARRIER IN CITIES OF THE FIRST CLASS IS PERMISSIBLE UNDER THE
23 CONSTITUTION AND LAWS OF THE COMMONWEALTH.

24 (B) DUTIES OF INSURANCE COMPANIES.--INSURANCE COMPANIES
25 LICENSED IN THIS COMMONWEALTH TO WRITE POLICIES OF AUTOMOBILE
26 INSURANCE COVERAGE SHALL COOPERATE WITH THE INSURANCE DEPARTMENT
27 STUDY AS DESCRIBED IN SUBSECTION (A). COOPERATION SHALL INCLUDE,
28 BUT NOT BE LIMITED TO, THE PROVISION OF INFORMATION BY INSURANCE
29 COMPANIES WITHIN REASONABLE TIME FRAMES AS REQUESTED BY THE
30 DEPARTMENT, IF THE INFORMATION IS AVAILABLE, TO BE USED TO

1 ADDRESS THE VARIOUS COMPONENTS OF THE STUDY DESCRIBED IN
2 SUBSECTION (A). SUCH INFORMATION MAY BE USED BY THE DEPARTMENT
3 ONLY FOR PURPOSES OF THIS STUDY.

4 (C) IMPLEMENTATION OF SINGLE CARRIER INSURANCE PROGRAM IN
5 CITIES OF THE FIRST CLASS.--IF A STUDY UNDERTAKEN UNDER
6 SUBSECTION (A) PROVIDES INFORMATION SUPPORTING A CONCLUSION THAT
7 A SINGLE CARRIER IN CITIES OF THE FIRST CLASS WILL IMPROVE THE
8 AVAILABILITY AND AFFORDABILITY OF AUTOMOBILE INSURANCE IN SUCH
9 CITIES AND IN THIS COMMONWEALTH, THE INSURANCE DEPARTMENT MAY
10 IMPLEMENT THE PROGRAM. IF THE PROGRAM IS IMPLEMENTED, THE
11 INSURANCE DEPARTMENT SHALL DEVELOP REGULATIONS DETAILING THE
12 COMPONENTS AND OPERATION OF A SINGLE CARRIER INSURANCE PROGRAM
13 FOR CITIES OF THE FIRST CLASS AND SHALL CONTRACT WITH A SINGLE
14 CARRIER TO IMPLEMENT SUCH A PROGRAM. THE CONTRACT MUST BE
15 SECURED FOLLOWING THE REQUEST FOR PROPOSAL PROCESS USED BY THE
16 COMMONWEALTH TO SECURE GOODS AND SERVICES. THE REQUEST FOR
17 PROPOSAL PROCESS SHALL INCLUDE A PROCEDURE FOR THE
18 PREQUALIFICATION OF BIDDERS BASED ON FINANCIAL ABILITY TO
19 ADMINISTER THE PROGRAM. ANY CONTRACT SIGNED BY THE DEPARTMENT
20 MUST INCLUDE THE FOLLOWING PROVISIONS:

21 (1) PARTICIPATION IN THE PROGRAM IS VOLUNTARY BY
22 MOTORISTS LIVING IN CITIES OF THE FIRST CLASS UNLESS
23 LEGISLATION HAS BEEN ENACTED SUBSEQUENT TO THIS ACT
24 SPECIFICALLY PROVIDING FOR MANDATORY PARTICIPATION.

25 (2) ALL DRIVERS, EXCEPT THOSE DETERMINED TO BE
26 INELIGIBLE AS DEFINED IN SUBSECTION (D), SHALL BE AFFORDED
27 THE OPPORTUNITY TO PURCHASE AUTOMOBILE INSURANCE COVERAGE
28 THROUGH THE PROGRAM.

29 (3) PREFERRED PROVIDER ARRANGEMENTS OR A FEE SCHEDULE
30 MAY BE DEVELOPED IN THE PROGRAM WITH SERVICE PROVIDERS FOR

1 MEDICAL BENEFITS; SUCH ARRANGEMENTS SHALL BE ACCESSIBLE TO
2 THE INSURED.

3 (4) FOR PHYSICAL DAMAGE REPAIR OR REPLACEMENT, THE
4 PROGRAM MAY PROVIDE FOR A FEE SCHEDULE OR OTHER METHOD TO
5 CONTAIN COSTS, AS WELL AS A MINIMUM DEDUCTIBLE HIGHER THAN
6 THAT PROVIDED FOR IN THIS SUBCHAPTER, BUT IN NO CASE MAY THE
7 MINIMUM DEDUCTIBLE BE GREATER THAN \$1,000.

8 (5) ANTIFRAUD MECHANISMS MAY BE ESTABLISHED, INCLUDING
9 THE INSPECTION OF PHYSICAL DAMAGE CLAIMS, INVESTIGATION OF
10 SUSPICIOUS CLAIMS, AND CASE MANAGEMENT FOR SELECTED MEDICAL
11 SERVICES.

12 (6) A CANCELLATION CLAUSE PERMITTING THE SINGLE CARRIER
13 TO CANCEL THE CONTRACT WITH 90 DAYS' NOTICE SHOULD ENROLLMENT
14 IN THE PROGRAM FALL BELOW A PERCENTAGE OF THE VEHICLES
15 REGISTERED IN CITIES OF THE FIRST CLASS. THE PERCENTAGE SHALL
16 BE ESTABLISHED IN THE CONTRACT.

17 (7) THE CONTRACT SHALL BE VALID FOR A PERIOD OF NOT LESS
18 THAN FIVE YEARS UNLESS A SHORTER CONTRACT PERIOD IS PROPOSED
19 BY THE SINGLE CARRIER.

20 (8) RATES CHARGED IN THE PROGRAM SHALL BE LOWER THAN
21 RATES AVAILABLE IN THE VOLUNTARY MARKET AND SHALL BE INCLUDED
22 IN THE CONTRACT AND SHALL BE VALID FOR A PERIOD OF NOT LESS
23 THAN TWO YEARS. RATE INCREASES AFTER THIS PERIOD SHALL BE
24 SUBJECT TO APPROVAL AS PROVIDED IN THE ACT OF JUNE 11, 1947
25 (P.L.538, NO.246), KNOWN AS THE CASUALTY AND SURETY RATE
26 REGULATORY ACT.

27 (D) INELIGIBLE DRIVER.--FOR PURPOSES OF SUBSECTION(C), THE
28 TERM "INELIGIBLE DRIVER" SHALL MEAN A PERSON WHO MEETS AT LEAST
29 ONE OF THE FOLLOWING CRITERIA:

30 (1) THE PERSON HAS, WITHIN FIVE YEARS OF THE DATE OF

1 APPLICATION FOR INSURANCE, BEEN CONVICTED OF A VIOLATION OF:

2 (I) SECTION 3731 (RELATING TO DRIVING UNDER THE
3 INFLUENCE OF ALCOHOL OR A CONTROLLED SUBSTANCE);

4 (II) 18 PA.C.S. § 4117 (RELATING TO AUTOMOBILE
5 INSURANCE FRAUD); OR

6 (III) ANY FELONY INVOLVING THE USE OF A MOTOR
7 VEHICLE.

8 (2) THE PERSON HAS PREVIOUSLY BEEN INSURED UNDER A MOTOR
9 VEHICLE INSURANCE POLICY AND HAS MADE MORE THAN ONE CLAIM
10 UNDER AN INSURANCE POLICY, WITHIN 36 MONTHS OF THE DATE OF
11 APPLICATION FOR INSURANCE UNDER THIS SECTION, ARISING OUT OF
12 AN ACCIDENT WHERE THE INSURED WAS FOUND TO BE SUBSTANTIALLY
13 AT FAULT, THAT IS, MORE THAN 50%, AND WHERE A PAYMENT WAS
14 MADE BY THE INSURER THAT EXCEEDED 50% OF THE ANNUAL PREMIUM
15 FOR THE POLICY OF INSURANCE.

16 (3) THE PERSON'S OPERATING PRIVILEGE HAS BEEN SUSPENDED
17 OR REVOKED WITHIN THE PRECEDING 36-MONTH PERIOD.

18 (4) THE PERSON'S DRIVING RECORD SHOWS SIX OR MORE POINTS
19 ASSESSED UNDER SECTION 1535 (RELATING TO SCHEDULE OF
20 CONVICTIONS AND POINTS) FOR VIOLATIONS THAT OCCURRED WITHIN
21 36 MONTHS OF THE DATE OF APPLICATION FOR INSURANCE UNDER THIS
22 SECTION.

23 SECTION 21. THE PROVISIONS OF SECTIONS 1705, 1715(A)(6),
24 1717 AND 1799 ARE EXPRESSLY AND JOINTLY NONSEVERABLE. IF ANY
25 PROVISION OF THOSE SECTIONS OR THEIR APPLICATION TO ANY PERSON
26 OR CIRCUMSTANCE IS HELD TO BE UNCONSTITUTIONAL OR OTHERWISE
27 INVALID, THE INVALIDITY SHALL NOT AFFECT OTHER PROVISIONS OR
28 APPLICATIONS OF THIS ACT WHICH CAN BE GIVEN EFFECT WITHOUT THE
29 INVALID PROVISIONS OR APPLICATIONS.

30 SECTION 22. ALL ACTS AND PARTS OF ACTS ARE REPEALED INSOFAR

1 AS THEY ARE INCONSISTENT WITH THIS ACT.

2 SECTION 23. THIS ACT SHALL APPLY TO INSURANCE POLICIES
3 ISSUED OR RENEWED ON OR AFTER THE EFFECTIVE DATE OF THIS ACT.

4 SECTION 24. THIS ACT SHALL TAKE EFFECT AS FOLLOWS:

5 (1) SECTION 1799, SECTION 21 AND THIS SECTION SHALL TAKE
6 EFFECT IMMEDIATELY.

7 (2) THE REMAINDER OF THIS ACT SHALL TAKE EFFECT IN 60
8 DAYS.