

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 382 Session of
1999

INTRODUCED BY REINARD AND MICOZZIE, FEBRUARY 8, 1999

REFERRED TO COMMITTEE ON INSURANCE, FEBRUARY 8, 1999

AN ACT

1 Amending the act of July 3, 1986 (P.L.396, No.86), entitled "An
2 act requiring notice of rate increases, policy cancellations
3 and nonrenewals by property and casualty insurers," further
4 providing for grounds for cancellation or nonrenewal of
5 certain insurance.

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

8 Section 1. Section 7(c) of the act of July 3, 1986 (P.L.396,
9 No.86), entitled "An act requiring notice of rate increases,
10 policy cancellations and nonrenewals by property and casualty
11 insurers," is amended to read:

12 Section 7. Applicability.

13 * * *

14 (c) Exceptions.--This act does not apply to commercial
15 property and casualty insurance policies or bound applications
16 that are in effect less than 60 days, unless they are renewals.
17 An insurer [may] shall cancel the policy or bound application
18 provided it gives at least 30 days' written notice of the
19 termination, stating the reasons, which must be complete as to

1 why the insured fails to qualify or no longer qualifies for the
2 policy of insurance and provided it gives notice no later than
3 the 60th day, unless the policy provides for a longer period of
4 notification.

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