THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 886

Session of 2003

INTRODUCED BY DeWEESE, BEBKO-JONES, CAWLEY, DALEY, FABRIZIO, GRUCELA, HERSHEY, JOSEPHS, LEVDANSKY, READSHAW, RUFFING, SCRIMENTI, SOLOBAY, THOMAS, YOUNGBLOOD, GOODMAN, BELARDI, COY, D. EVANS, GEORGE, HARHAI, HORSEY, KOTIK, McGEEHAN, ROONEY, SCAVELLO, SHANER, STABACK, WANSACZ, JAMES AND PALLONE, MARCH 13, 2003

REFERRED TO COMMITTEE ON INSURANCE, MARCH 13, 2003

AN ACT

- Amending the act of July 22, 1974 (P.L.589, No.205), entitled
 "An act relating to unfair insurance practices; prohibiting
 unfair methods of competition and unfair or deceptive acts
 and practices; and prescribing remedies and penalties,"
 further providing for unfair acts.
- 6 The General Assembly of the Commonwealth of Pennsylvania
- 7 hereby enacts as follows:
- 8 Section 1. Section 5(a) of the act of July 22, 1974
- 9 (P.L.589, No.205), known as the Unfair Insurance Practices Act,
- 10 is amended by adding a paragraph and the section is amended by
- 11 adding a subsection to read:
- 12 Section 5. Unfair Methods of Competition and Unfair or
- 13 Deceptive Acts or Practices Defined. -- (a) "Unfair methods of
- 14 competition" and "unfair or deceptive acts or practices" in the
- 15 business of insurance means:
- 16 * * *
- 17 (15) Refusing to issue, canceling or refusing to renew a

- 1 policy of casualty or property insurance because of damage
- 2 <u>caused by underground mining the repair of which:</u>
- 3 (i) may be required under the act of April 27, 1966 (1st
- 4 Sp.Sess., P.L.31, No.1), known as "The Bituminous Mine
- 5 Subsidence and Land Conservation Act"; and
- 6 (ii) is made within a reasonable time after the mining, as
- 7 <u>determined by the mine operator and the landowner.</u>
- 8 * * *
- 9 (d) If a person issues, maintains or renews an insurance
- 10 policy in order to avoid committing an unfair or deceptive act
- 11 or practice under subsection (a)(15), the person shall not be
- 12 <u>liable under that policy for any claim arising out of damage</u>
- 13 referred to in subsection (a)(15).
- 14 Section 2. This act shall take effect in 60 days.