

AMENDMENTS TO HOUSE BILL NO. 2386

Sponsor: REPRESENTATIVE PEIFER

Printer's No. 3602

1 Amend Bill, page 1, lines 1 and 2, by striking out all of
2 said lines and inserting
3 Providing for business interruption insurance assistance and for
4 powers and duties of the Department of Community and Economic
5 Development.

6 Amend Bill, page 1, lines 5 through 16; page 2, lines 1
7 through 30; page 3, lines 1 through 23; by striking out all of
8 said lines on said pages and inserting

9 Section 1. Short title.

10 This act shall be known and may be cited as the Business
11 Interruption Insurance Assistance Act.

12 Section 2. Purpose.

13 The purpose of this act is to establish a program within the
14 Department of Community and Economic Development to encourage
15 businesses to acquire business interruption insurance coverage
16 from an insurance provider for assistance with expenses in the
17 event a business is impacted by a peril and to provide business
18 interruption insurance financial assistance, subject to the
19 availability of funding, to eligible businesses for business
20 interruption insurance premium costs.

21 Section 3. Definitions.

22 The following words and phrases when used in this act shall
23 have the meanings given to them in this section unless the
24 context clearly indicates otherwise:

25 "Business." An individual, corporation, limited liability
26 company, limited liability partnership, partnership,
27 association, joint stock company, trust, unincorporated
28 organization, sole proprietor, similar entity or combination of
29 the foregoing acting in concert.

30 "Business interruption insurance." An insurance policy
31 issued by stock fire, stock marine, stock fire and marine or
32 stock casualty insurance company as incorporated under section
33 202(c), (d), (e), (f) or (g) of the act of May 17, 1921
34 (P.L.682, No.284), known as The Insurance Company Law of 1921,
35 to assist with damages incurred by a business.

1 "Department." The Department of Community and Economic
2 Development of the Commonwealth.

3 Section 4. Business Interruption Insurance Assistance Program.

4 (a) Establishment.--The department, in consultation with the
5 Insurance Department, shall establish a program to educate
6 businesses on the benefits of business interruption insurance
7 coverage. The Business Interruption Insurance Assistance Program
8 shall promote the purchase of business interruption insurance
9 and may provide financial assistance to eligible businesses to
10 partially offset business interruption insurance premiums. The
11 provision of financial assistance shall be subject to the
12 availability of funding.

13 (b) Powers and duties of department.--The department shall
14 have the following powers and duties:

15 (1) The department shall administer the Business
16 Interruption Insurance Assistance Program established under
17 subsection (a) and shall exercise all administrative powers
18 necessary to effectuate the purposes of this section,
19 including, but not limited to, drafting and entering into
20 agreements necessary to implement this section, establishing
21 eligibility criteria for business interruption insurance
22 financial assistance and developing an application and
23 application procedure for business interruption insurance
24 financial assistance, including time frames for the
25 submission, review and approval of applications.

26 (2) The department may draft and enter into agreements
27 with Federal agencies, other State agencies and private
28 entities as necessary to implement this section.

29 (3) The department, in consultation with the Insurance
30 Department, shall issue guidelines to implement this section.

31 (c) Business interruption insurance financial assistance.--
32 The department may provide business interruption insurance
33 financial assistance to eligible businesses in an amount up to
34 10% of the cost of the insurance premiums in years in which
35 funds are appropriated or made available to the department. If
36 sufficient funds are not available to provide for up to 10% of
37 the cost of the insurance premiums, the department shall prorate
38 the available funds among all the businesses who applied for and
39 received business interruption insurance for the fiscal year.

40 (d) Funding.--The department is authorized to use funds
41 specifically appropriated by the General Assembly for the
42 purposes of this section and any funds, contributions or
43 payments which may be made available to the department by the
44 Federal Government, another State agency or any public or
45 private source for the purpose of implementing this section.

46 (e) Report.--The department shall annually submit a report
47 that provides details of the department's expenditures,
48 including administrative expenditures, under this section to the
49 chairperson and minority chairperson of the Community, Economic
50 and Recreational Development Committee of the Senate, the
51 chairperson and minority chairperson of the Banking and

1 Insurance Committee of the Senate, the chairperson and minority
2 chairperson of the Commerce Committee of the House of
3 Representatives and the chairperson and minority chairperson of
4 the Insurance Committee of the House of Representatives.
5 Section 5. Effective date.
6 This act shall take effect immediately.