

## AMENDMENTS TO SENATE BILL NO. 676

Sponsor: SENATOR LAUGHLIN

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1 Amend Bill, page 1, line 2, by inserting after "for"  
2 definitions, for availability, scope and amount of coverage,  
3 for

4 Amend Bill, page 1, line 4, by striking out ", AND"

5 Amend Bill, page 1, line 5, by striking out "PROVIDING FOR  
6 EXCLUSION FROM COVERAGE AND FURTHER PROVIDING" and inserting  
7 and

8 Amend Bill, page 1, lines 10 through 13, by striking out all  
9 of said lines and inserting

10 Section 1. The definition of "financial responsibility" in  
11 section 1702 of Title 75 of the Pennsylvania Consolidated  
12 Statutes is amended to read:  
13 § 1702. Definitions.

14 The following words and phrases when used in this chapter  
15 shall have the meanings given to them in this section unless the  
16 context clearly indicates otherwise:

17 \* \* \*

18 "Financial responsibility." The ability to respond in  
19 damages for liability on account of accidents arising out of the  
20 maintenance or use of a motor vehicle in the minimum amount of  
21 [\$15,000] \$30,000 because of injury to one person in any one  
22 accident, in the amount of [\$30,000] \$60,000 because of injury  
23 to two or more persons in any one accident and in the minimum  
24 amount of [\$5,000] \$10,000 because of damage to property of  
25 others in any one accident. The financial responsibility shall  
26 be in a form acceptable to the Department of Transportation.

27 \* \* \*

28 Section 2. Sections 1731, 1734, 1736, 1738, 1791 and 1792(a)  
29 of Title 75 are amended to read:

30 § 1731. Availability, scope and amount of coverage.

31 (a) Mandatory [offering] coverage.--No motor vehicle  
32 liability insurance policy shall be delivered or issued for  
33 delivery in this Commonwealth, with respect to any motor vehicle

1 registered or principally garaged in this Commonwealth, unless  
2 uninsured motorist and underinsured motorist coverages are  
3 [offered therein or supplemental thereto in amounts as provided  
4 in section 1734 (relating to request for lower limits of  
5 coverage). Purchase of uninsured motorist and underinsured  
6 motorist coverages is optional.] provided therein or  
7 supplemental thereto in at least the amounts set forth in  
8 subsections (b) and (c), unless the coverage is otherwise  
9 excluded.

10 (b) Uninsured motorist coverage.--Uninsured motorist  
11 coverage shall provide protection for persons who suffer injury  
12 arising out of the maintenance or use of a motor vehicle and are  
13 legally entitled to recover damages therefor from owners or  
14 operators of uninsured motor vehicles. [The named insured shall  
15 be informed that he may reject uninsured motorist coverage by  
16 signing the following written rejection form:

17 REJECTION OF UNINSURED MOTORIST PROTECTION

18 By signing this waiver I am rejecting uninsured motorist  
19 coverage under this policy, for myself and all relatives  
20 residing in my household. Uninsured coverage protects me and  
21 relatives living in my household for losses and damages  
22 suffered if injury is caused by the negligence of a driver  
23 who does not have any insurance to pay for losses and  
24 damages. I knowingly and voluntarily reject this coverage.

25 .....  
26 Signature of First Named Insured  
27 .....

28 Date

29 (b.1) Limitation of rejection.--Uninsured motorist  
30 protection may be rejected for the driver and passengers for  
31 rental or lease vehicles which are not otherwise common carriers  
32 by motor vehicle, but such coverage may only be rejected if the  
33 rental or lease agreement is signed by the person renting or  
34 leasing the vehicle and contains the following rejection  
35 language:

36 Rejection of Uninsured Motorist Protection

37 I am rejecting uninsured motorist coverage under this  
38 rental or lease agreement, and any policy of insurance or  
39 self-insurance issued under this agreement, for myself  
40 and all other passengers of this vehicle. Uninsured  
41 coverage protects me and other passengers in this vehicle  
42 for losses and damages suffered if injury is caused by  
43 the negligence of a driver who does not have any  
44 insurance to pay for losses and damages.

45 (b.2) Rejection language change.--The rejection language of  
46 subsection (b.1) may only be changed grammatically to reflect a  
47 difference in tense in the rental agreement or lease agreement.

48 (b.3) Vehicle rental services.--The requirements of  
49 subsection (b.1) may be met in connection with an expedited  
50 vehicle rental service, which service by agreement of the renter  
51 does not require the renter's signature for each rental, if a

1 master enrollment or rental agreement contains the rejection  
2 language of subsection (b.1) and such agreement is signed by the  
3 renter.] Such coverage shall be in the minimum amount of \$30,000  
4 because of injury to one person in any one accident, and in the  
5 minimum amount of \$60,000 because of injury to two or more  
6 persons in any one accident.

7 (c) Underinsured motorist coverage.--Underinsured motorist  
8 coverage shall provide protection for persons who suffer injury  
9 arising out of the maintenance or use of a motor vehicle and are  
10 legally entitled to recover damages therefor from owners or  
11 operators of underinsured motor vehicles. [The named insured  
12 shall be informed that he may reject underinsured motorist  
13 coverage by signing the following written rejection form:

14 REJECTION OF UNDERINSURED MOTORIST PROTECTION

15 By signing this waiver I am rejecting underinsured  
16 motorist coverage under this policy, for myself and all  
17 relatives residing in my household. Underinsured coverage  
18 protects me and relatives living in my household for losses  
19 and damages suffered if injury is caused by the negligence of  
20 a driver who does not have enough insurance to pay for all  
21 losses and damages. I knowingly and voluntarily reject this  
22 coverage.

23 .....  
24 Signature of First Named Insured

25 .....  
26 Date

27 (c.1) Form of waiver.--Insurers shall print the rejection  
28 forms required by subsections (b) and (c) on separate sheets in  
29 prominent type and location. The forms must be signed by the  
30 first named insured and dated to be valid. The signatures on the  
31 forms may be witnessed by an insurance agent or broker. Any  
32 rejection form that does not specifically comply with this  
33 section is void. If the insurer fails to produce a valid  
34 rejection form, uninsured or underinsured coverage, or both, as  
35 the case may be, under that policy shall be equal to the bodily  
36 injury liability limits. On policies in which either uninsured  
37 or underinsured coverage has been rejected, the policy renewals  
38 must contain notice in prominent type that the policy does not  
39 provide protection against damages caused by uninsured or  
40 underinsured motorists. Any person who executes a waiver under  
41 subsection (b) or (c) shall be precluded from claiming liability  
42 of any person based upon inadequate information.] Such coverage  
43 shall be in the minimum amount of \$30,000 because of injury to  
44 one person in any one accident, and in the minimum amount of  
45 \$60,000 because of injury to two or more persons in any one  
46 accident.

47 (d) Limitation on recovery.--

48 (1) A person who recovers damages under uninsured  
49 motorist coverage or coverages cannot recover damages under  
50 underinsured motorist coverage or coverages for the same  
51 accident.

1 (2) A person precluded from maintaining an action for  
2 noneconomic damages under section 1705 (relating to election  
3 of tort options) may not recover from uninsured motorist  
4 coverage or underinsured motorist coverage for noneconomic  
5 damages.

6 Amend Bill, page 1, line 14, by inserting a bracket before  
7 "Request"

8 Amend Bill, page 1, line 14, by striking out the bracket  
9 before "lower"

10 Amend Bill, page 1, line 14, by striking out "] different"

11 Amend Bill, page 1, line 17, by striking out the bracket  
12 before "equal"

13 Amend Bill, page 1, lines 17 and 18, by striking out "] other  
14 than"

15 Amend Bill, page 1, line 18, by inserting a bracket after  
16 "injury."

17 Amend Bill, page 1, lines 18 through 21; page 2, ; by  
18 striking out "A named insured" in line 18, all of lines 19  
19 through 21 on page 1 on page 2 and inserting

20 Request for different limits.

21 (a) General rule.--A named insured may request in writing  
22 the issuance of coverages under section 1731 (relating to  
23 availability, scope and amount of coverage) in amounts other  
24 than the limits of liability for bodily injury, subject to the  
25 mandatory coverage set forth in section 1731. A named insured  
26 shall be conclusively presumed to have uninsured and  
27 underinsured motorist coverage in the same amount of bodily  
28 injury liability in the policy, unless another amount is  
29 selected or otherwise provided in accordance with this chapter.

30 (b) Notice of uninsured and underinsured motorist  
31 coverage.--

32 (1) No later than the initial issuance or initial  
33 renewal of all motor vehicle policies delivered or issued for  
34 delivery in the first year following 180 days after the  
35 effective date of this section, each insurer shall provide in  
36 writing to the named insured under each policy the following  
37 notice with respect to the purchase of uninsured and

1 underinsured motorist coverage:

2 Uninsured and underinsured motorist coverage is  
3 available to provide compensation for injuries caused  
4 by persons who either have no automobile insurance or  
5 do not have enough automobile insurance to compensate  
6 you and your family for your loss. This coverage is  
7 important to provide protection for you.

8 Previously, you were able to reject the purchase of  
9 uninsured and underinsured coverage. You are now  
10 required to purchase this coverage in the minimum  
11 amount of \$30,000 because of injury to one person in  
12 any one accident, and in the minimum amount of  
13 \$60,000 because of injury to two or more persons in  
14 any one accident.

15 Previously, you were also able to purchase stacking  
16 of uninsured and underinsured motorist coverage.  
17 Stacking increases your uninsured and underinsured  
18 motorist coverage by adding the limits of this  
19 coverage for each vehicle for which the injured  
20 person is an insured.

21 While stacking has been eliminated by law, you still  
22 have the right to purchase uninsured and underinsured  
23 motorist coverage up to at least four times the  
24 amount of your liability coverage. You also retain  
25 the right to purchase uninsured and underinsured  
26 motorist coverage less than the amount of your  
27 liability coverage, provided that it at least equals  
28 the \$30,000 and \$60,000 coverage protections noted  
29 above.

30 (2) Each insurer shall certify to the Insurance  
31 Department that it has complied with the notice requirement  
32 in paragraph (1). An insurer's failure to establish  
33 compliance with this notice requirement shall be subject to  
34 the department's review and enforcement under the act of  
35 December 17, 1968 (P.L.1224, No.387), known as the Unfair  
36 Trade Practices and Consumer Protection Law.

37 [

38 Amend Bill, page 2, line 5, by striking out the bracket  
39 before "but"

40 Amend Bill, page 2, line 5, by striking out "] and"

41 Amend Bill, page 2, line 5, by striking out the bracket  
42 before "not"

43 Amend Bill, page 2, line 5, by striking out the bracket after  
44 "not"

1 Amend Bill, page 2, line 7, by inserting a bracket after  
2 "policy."

3 Amend Bill, page 4, lines 9 through 30; page 5, lines 1  
4 through 7; by striking out all of said lines on said pages and  
5 inserting

6 (a) General rule.--The limit of liability for uninsured and  
7 underinsured motorist coverage applicable to two or more motor  
8 vehicles covered under one or more policies delivered or issued  
9 for delivery in this Commonwealth shall not be added together to  
10 determine the limit of the coverage available to an insured for  
11 injuries sustained in an accident.

12 (b) Persons in noncovered vehicles.--If an insured is  
13 injured as an occupant of a vehicle not covered by the policy  
14 under which the person is an insured, the insured may recover,  
15 unless the coverage is otherwise excluded:

16 (1) Benefits in accordance with section 1733(a)(1)  
17 (relating to priority of recovery).

18 (2) Benefits under section 1733(a)(2), provided the  
19 maximum total recovery under all policies providing benefits  
20 in accordance with section 1733(a)(2) shall be the single-  
21 highest limit on any one vehicle under any one policy for  
22 which the person is an insured.

23 (3) Notwithstanding any exclusion in a motor vehicle  
24 policy subject to this chapter, an insurer may not exclude  
25 uninsured and underinsured motorist coverage solely because  
26 an insured is injured in a vehicle operated by the insured  
27 but not covered by the insured's policy, provided the  
28 insured's use of the vehicle is with the permission of the  
29 owner of the vehicle and the vehicle is furnished for the  
30 regular use of the insured.

31 (c) Persons in covered vehicles.--If an insured is injured  
32 as an occupant of a vehicle covered by the policy under which  
33 the person is an insured, unless the coverage is otherwise  
34 excluded, the insured may recover only the uninsured or  
35 underinsured motorist coverage afforded by the policy covering  
36 the vehicle occupied by the insured at the time of the accident.  
37 The limitation under this subsection does not apply to guest  
38 passengers who may still recover in accordance with the sources  
39 of payment provided under section 1733.

40 (d) Pedestrians.--If an insured is injured as a pedestrian,  
41 the maximum total recovery under all policies providing benefits  
42 in accordance with section 1733(a)(2) shall be the single-  
43 highest limit on any one vehicle for which the person is an  
44 insured.

45 Amend Bill, page 5, line 9, by inserting a bracket before

1 "It"

2 Amend Bill, page 5, line 9, by inserting after "It"

3 ] Except as otherwise specified by statute, it

4 Amend Bill, page 6, line 18, by inserting a bracket before

5 "\$5,000"

6 Amend Bill, page 6, line 18, by inserting after "\$5,000"

7 ] \$10,000

8 Amend Bill, page 6, lines 20 through 27, by striking out "(7)

9 Uninsured and" in line 20 and all of lines 21 through 27 and

10 inserting

11 (7) Uninsured and underinsured motorist coverage up  
12 to at least four times the amount of bodily injury  
13 liability coverage that is purchased, except for policies  
14 issued under the Assigned Risk Plan.

15 Amend Bill, page 6, line 30, by inserting a bracket before

16 "However,"

17 Amend Bill, page 7, line 6, by inserting after "selected."

18 ] Your signature on this notice evidences your actual  
19 knowledge and understanding of the benefits available.

20 Amend Bill, page 7, line 16, by inserting a bracket before

21 "coverages.--"

22 Amend Bill, page 7, line 16, by inserting after

23 "coverages.--"

24 ] uninsured, underinsured, bodily injury liability and  
25 property damage coverages and mandatory deductibles.--

26 Amend Bill, page 7, line 19, by inserting after "insurer"

27 delivering or

28 Amend Bill, page 7, line 19, by inserting a bracket before

29 "a"

30 Amend Bill, page 7, line 20, by inserting after "coverage"

31 ] for delivery an automobile policy

1 Amend Bill, page 7, line 21, by inserting a bracket before  
2 "higher"

3 Amend Bill, page 7, line 21, by inserting a bracket after  
4 "higher"

5 Amend Bill, page 7, lines 28 through 30; page 8, lines 1  
6 through 5; by striking out "An insurer issuing a policy of  
7 bodily injury" in line 28, all of lines 29 and 30 on page 7 and  
8 all of lines 1 through 5 on page 8 and inserting

9 An insurer delivering or issuing for delivery an  
10 automobile policy of insurance in this Commonwealth  
11 pursuant to this chapter shall make available for  
12 purchase limits of uninsured and underinsured motorist  
13 coverage up to at least four times the amount of bodily  
14 injury coverage that is purchased.

15 Amend Bill, page 8, line 7, by inserting a bracket before  
16 "\$5,000"

17 Amend Bill, page 8, line 7, by inserting after "\$5,000"  
18 ] \$10,000

19 Amend Bill, page 8, line 12, by striking out "2" and  
20 inserting

21 3

22 Amend Bill, page 8, line 12, by inserting after "amendment"  
23 or addition

24 Amend Bill, page 8, line 12, by inserting after "\$\$"   
25 1702, 1731,

26 Amend Bill, page 8, line 13, by inserting after "policies"  
27 delivered or

28 Amend Bill, page 8, line 13, by inserting after "issued"  
29 for delivery

30 Amend Bill, page 8, line 14, by inserting after "section."

31 Nothing in this act shall be construed to alter the election  
32 of tort options in a policy issued or renewed on or after one



1 year after the effective date of this section.

2 Amend Bill, page 8, line 15, by striking out all of said line  
3 and inserting

4 Section 4. The following shall apply:

5 (1) Any change in coverage of an automobile insurance  
6 policy delivered, or issued for delivery, in this  
7 Commonwealth resulting from the amendments of 75 Pa.C.S. §§  
8 1702, 1731 and 1734 shall not impact the validity of any  
9 waiver, rejection, selection of benefits or amount of  
10 benefits in that policy beyond the coverage amounts as a  
11 result of those amendments, nor require that new forms be  
12 signed by the named insured in the policy.

13 (2) Any filing approved by the Insurance Department  
14 under 75 Pa.C.S. that contains an exclusion for uninsured or  
15 underinsured motorist coverage that has not been previously  
16 approved by the Insurance Department shall be posted on the  
17 Insurance Department's publicly accessible Internet website  
18 no later than seven days after approval and shall remain  
19 available on that website for one year after the renewal  
20 effective date of the filing.

21 Section 5. This act shall take effect in 180 days.