

THE GENERAL ASSEMBLY OF PENNSYLVANIA

SENATE BILL

No. 1416 Session of
2002

INTRODUCED BY MOWERY, ARMSTRONG, COSTA, MURPHY, KITCHEN,
BOSCOLA, THOMPSON, WAUGH, LOGAN, A. WILLIAMS, CORMAN AND
WENGER, APRIL 24, 2002

REFERRED TO BANKING AND INSURANCE, APRIL 24, 2002

AN ACT

1 Amending the act of May 17, 1921 (P.L.789, No.285), entitled, as
2 amended, "An act relating to insurance; establishing an
3 insurance department; and amending, revising, and
4 consolidating the law relating to the licensing,
5 qualification, regulation, examination, suspension, and
6 dissolution of insurance companies, Lloyds associations,
7 reciprocal and inter-insurance exchanges, and certain
8 societies and orders, the examination and regulation of fire
9 insurance rating bureaus, and the licensing and regulation of
10 insurance agents and brokers; the service of legal process
11 upon foreign insurance companies, associations or exchanges;
12 providing penalties, and repealing existing laws," further
13 providing for application of act.

14 The General Assembly of the Commonwealth of Pennsylvania
15 hereby enacts as follows:

16 Section 1. Section 103 of the act of May 17, 1921 (P.L.789,
17 No.285), known as The Insurance Department Act of 1921, is
18 amended by adding a subsection to read:

19 Section 103. Application of Act.--* * *

20 (c) (1) Nothing in this act shall apply to a rental company
21 or any of its officers or employees, which offers coverages in
22 connection with and incidental to the rental of motor vehicles
23 at rental offices or by preselection of coverage in master,

corporate, group rental or individual agreements in any of the following categories:

(i) Personal accident insurance covering the risks of travel, including, but not limited to, accident and health insurance that provides coverage, as applicable, to renters and other rental vehicle occupants for accidental death or dismemberment and for medical expenses resulting from an accident that occurs during the rental period.

(ii) Liability insurance, which may include uninsured and underinsured motorist coverage whether offered separately or in combination with other liability insurance, that provides coverage, as applicable, to renters and other authorized drivers of rental vehicles for liability arising from the operation of the rental vehicle.

(iii) Personal effects insurance that provides coverage, as applicable, to renters and other rental vehicle occupants for the loss of, or damage to, personal effects that occurs during the rental period.

(iv) Roadside assistance and emergency sickness protection programs.

(v) Any other travel or auto-related coverages which a rental company offers in connection with and incidental to the rental of vehicles.

(2) As used in this subsection:

"Rental agreement" shall mean any written agreement setting forth the terms and conditions governing the use of a vehicle provided by the rental company for rental or lease.

"Rental company" shall mean a person or entity in the business of providing primarily private passenger vehicles to the public under a rental agreement for a period not to exceed

1 ninety days.

2 "Renter" shall mean any person obtaining the use of a vehicle
3 from a rental company under the terms of a rental agreement for
4 a period not to exceed ninety days.

5 "Vehicle" or "rental vehicle" shall mean a motor vehicle of
6 the private passenger type, including passenger vans, minivans
7 and sport utility vehicles, and of the cargo type, including
8 cargo vans, pickup trucks and trucks with gross vehicle weight
9 of less than twenty-six thousand pounds and which do not require
10 the operator to possess a commercial driver's license.

11 "Rental period" shall mean the term of a rental agreement.

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