

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 820 Session of
2003

INTRODUCED BY MAITLAND, CAPPELLI, SAYLOR, BELFANTI, FRANKEL,
HORSEY, KELLER, LEWIS, SCRIMENTI AND YOUNGBLOOD,
MARCH 11, 2003

REFERRED TO COMMITTEE ON INSURANCE, MARCH 11, 2003

AN ACT

1 Amending Title 75 (Vehicles) of the Pennsylvania Consolidated
2 Statutes, further defining "financial responsibility"; and
3 further providing for payments sufficient to satisfy
4 judgments, for notice of available benefits and limits and
5 for availability of uninsured, underinsured, bodily injury
6 liability and property damage coverages and mandatory
7 deductibles.

8 The General Assembly of the Commonwealth of Pennsylvania
9 hereby enacts as follows:

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 amount of \$15,000

1 because of injury to one person in any one accident, in the
2 amount of \$30,000 because of injury to two or more persons in
3 any one accident and in the amount of [\$5,000] \$10,000 because
4 of damage to property of others in any one accident. The
5 financial responsibility shall be in a form acceptable to the
6 Department of Transportation.

7 * * *

8 Section 2. Sections 1774(a), 1791 and 1792(a) of Title 75
9 are amended to read:

10 § 1774. Payments sufficient to satisfy judgments.

11 (a) General rule.--For the purpose of this chapter only,
12 judgments shall be deemed satisfied upon the occurrence of one
13 of the following:

14 (1) When \$15,000 has been credited upon any judgment or
15 judgments rendered in excess of that amount because of injury
16 to one person as the result of any one accident.

17 (2) When \$30,000 has been credited upon any judgment or
18 judgments rendered in excess of that amount because of injury
19 to two or more persons as the result of any one accident.

20 (3) When [\$5,000] \$10,000 has been credited upon any
21 judgment or judgments rendered in excess of that amount
22 because of damage to property of others as the result of any
23 one accident.

24 * * *

25 § 1791. Notice of available benefits and limits.

26 It shall be presumed that the insured has been advised of the
27 benefits and limits available under this chapter provided the
28 following notice in bold print of at least ten-point type is
29 given to the applicant at the time of application for original
30 coverage, and no other notice or rejection shall be required:

IMPORTANT NOTICE

Insurance companies operating in the Commonwealth of Pennsylvania are required by law to make available for purchase the following benefits for you, your spouse or other relatives or minors in your custody or in the custody of your relatives, residing in your household, occupants of your motor vehicle or persons struck by your motor vehicle:

(1) Medical benefits, up to at least \$100,000.

(1.1) Extraordinary medical benefits, from \$100,000 to \$1,100,000 which may be offered in increments of \$100,000.

(2) Income loss benefits, up to at least \$2,500 per month up to a maximum benefit of at least \$50,000.

(3) Accidental death benefits, up to at least \$25,000.

(4) Funeral benefits, \$2,500.

(5) As an alternative to paragraphs (1), (2), (3) and (4), a combination benefit, up to at least \$177,500 of benefits in the aggregate or benefits payable up to three years from the date of the accident, whichever occurs first, subject to a limit on accidental death benefit of up to \$25,000 and a limit on funeral benefit of \$2,500, provided that nothing contained in this subsection shall be construed to limit, reduce, modify or change the provisions of section 1715(d) (relating to availability of adequate limits).

(6) Uninsured, underinsured and bodily injury liability coverage up to at least \$100,000 because of injury to one person in any one accident and up to at

1 least \$300,000 because of injury to two or more persons
2 in any one accident or, at the option of the insurer, up
3 to at least \$300,000 in a single limit for these
4 coverages, except for policies issued under the Assigned
5 Risk Plan. Also, at least [\$5,000] \$10,000 for damage to
6 property of others in any one accident.

7 Additionally, insurers may offer higher benefit levels
8 than those enumerated above as well as additional
9 benefits. However, for certain benefits, an insured may
10 elect to purchase lower benefit levels than those
11 enumerated above.

12 Your signature on this notice or your payment of any
13 renewal premium evidences your actual knowledge and
14 understanding of the availability of these benefits and
15 limits as well as the benefits and limits you have
16 selected.

17 If you have any questions or you do not understand all of
18 the various options available to you, contact your agent
19 or company.

20 If you do not understand any of the provisions contained
21 in this notice, contact your agent or company before you
22 sign.

23 § 1792. Availability of uninsured, underinsured, bodily injury
24 liability and property damage coverages and mandatory
25 deductibles.

26 (a) Availability of coverages.--Except for policies issued
27 under Subchapter D (relating to Assigned Risk Plan), an insurer
28 issuing a policy of bodily injury liability coverage pursuant to
29 this chapter shall make available for purchase higher limits of
30 uninsured, underinsured and bodily injury liability coverages up

1 to at least \$100,000 because of injury to one person in any one
2 accident and up to at least \$300,000 because of injury to two or
3 more persons in any one accident or, at the option of the
4 insurer, up to at least \$300,000 in a single limit for these
5 coverages. Additionally, an insurer shall make available for
6 purchase at least [\$5,000] \$10,000 because of damage to property
7 of others in any one accident. However, the exclusion of
8 availability relating to the Assigned Risk Plan shall not apply
9 to damage to property of others in any one accident.

10 * * *

11 Section 3. This act shall take effect in 60 days.