

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 1201 Session of
2003

INTRODUCED BY SAYLOR, R. MILLER, STERN, MACKERETH, DeLUCA,
MANDERINO, WALKO, BELARDI, BENNINGHOFF, BUNT, CAPPELLI,
CAWLEY, CRAHALLA, CREIGHTON, CURRY, DALLY, DeWEESE,
FAIRCHILD, FLICK, GEIST, GEORGE, HALUSKA, HORSEY, JAMES,
JOSEPHS, LAUGHLIN, LEDERER, LEH, McGEEHAN, McILHATTAN, MUNDY,
READSHAW, REICHLEY, SCAVELLO, SOLOBAY, STABACK, E. Z. TAYLOR,
THOMAS, TIGUE, WANSACZ AND YOUNGBLOOD, APRIL 21, 2003

REFERRED TO COMMITTEE ON INSURANCE, APRIL 21, 2003

AN ACT

1 Amending Title 75 (Vehicles) of the Pennsylvania Consolidated
2 Statutes, further providing for required financial
3 responsibility and for vehicle insurer cancellations and
4 penalties.

5 The General Assembly of the Commonwealth of Pennsylvania
6 hereby enacts as follows:

7 Section 1. Section 1786(d)(2)(i) of Title 75 of the
8 Pennsylvania Consolidated Statutes, amended December 9, 2002
9 (P.L. , No.152), is amended to read:

10 § 1786. Required financial responsibility.

11 * * *

12 (d) Suspension of registration and operating privilege.--

13 * * *

14 (2) Whenever the department revokes or suspends the
15 registration of any vehicle under this chapter, the
16 department shall not restore the registration until the

1 vehicle owner furnishes proof of financial responsibility in
2 a manner determined by the department and submits an
3 application for registration to the department, accompanied
4 by the fee for restoration of registration provided by
5 section 1960. This subsection shall not apply in the
6 following circumstances:

7 (i) The owner or registrant proves to the
8 satisfaction of the department that the lapse in
9 financial responsibility coverage was for a period of
10 less than 31 days from the effective date of the lapse
11 under section 1799.3(a)(2) (relating to limit on
12 cancellations, refusals to renew, refusals to write,
13 surcharges, rate penalties and point assignments) and
14 that the owner or registrant did not operate or permit
15 the operation of the vehicle during the period of lapse
16 in financial responsibility.

17 * * *

18 Section 2. Section 1799.3(a) of Title 75 is amended to read:

19 § 1799.3. Limit on cancellations, refusals to renew, refusals
20 to write, surcharges, rate penalties and point
21 assignments.

22 (a) [Damage claims] Grounds and procedure.--

23 (1) No insurer shall cancel or refuse to renew a policy
24 or apply any surcharge, rate penalty or driver record point
25 assignment [where, during] under any of the following
26 circumstances:

27 (i) The insured fails to pay a late payment fee.

28 (ii) During the preceding three-year period, the
29 aggregate cost to the insurer for any person injured or
30 property damaged is determined to be less than \$650 in

1 excess of any self-insured retention or deductible
2 applicable to the named insured.

3 (2) A cancellation or refusal to renew shall not take
4 effect unless the insured does all of the following:

5 (i) Provides to the insured, in writing, 15 days'
6 notice of intent to cancel or to refuse to renew.

7 (ii) Refunds payment for the anticipated coverage
8 which is being rejected. The insurer may deduct from the
9 refund a premium to cover the notice period under
10 subparagraph (i).

11 * * *

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