THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 1365

Session of 1979

INTRODUCED BY W. D. HUTCHINSON, O'DONNELL, BERSON, SCIRICA, SPENCER AND DORR, MAY 22, 1979

REFERRED TO COMMITTEE ON INSURANCE, MAY 23, 1979

AN ACT

Amending the act of July 19, 1974 (P.L.489, No.176), entitled "An act providing for a compensation system for persons 3 injured in motor vehicle accidents; requiring insurance for all motor vehicles required to be registered in Pennsylvania; 5 defining compensable damage in motor vehicle accident cases; 6 establishing an assigned claims plan; providing for 7 arbitration; imposing powers and duties on courts, the Department of Transportation and the Insurance Commissioner; 8 prohibiting certain discrimination; and providing penalties," 9 clarifying survivor's loss and work loss. 10 The General Assembly of the Commonwealth of Pennsylvania 11 12 hereby enacts as follows: Section 1. The definitions of "loss of income," "survivor's 13 14 loss" and "work loss" of section 103, act of July 19, 1974 (P.L.489, No.176), known as the "Pennsylvania No-fault Motor 15 Vehicle Insurance Act, " are amended to read: 16 § 103. Definitions. 17 As used in this act: 18 * * * 19 20 "Loss of income" means gross income actually lost by a victim

during his lifetime or that would have been lost but for any

income continuation plan, reduced by:

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- 1 (A) eighty per cent (80%) of any income which such individual earns from substitute work; 2
 - (B) income which such individual would have earned in available substitute work he was capable of performing but unreasonably failed to undertake; or
 - (C) any income which such individual would have earned by hiring an available substitute to perform selfemployment services but unreasonably failed to do. Such a "loss of income" shall be recoverable from an obligor by a victim or his estate but shall not be recoverable as a survivor's loss.

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- 13 "Survivor's loss" means the:
- [loss of] income of a deceased victim which 14 15 would probably have been contributed to a survivor or 16 survivors, if such victim had not sustained the fatal 17 injury; and
- 18 (B) expenses reasonably incurred by a survivor or survivors, after a victim's death resulting from injury, 19 in obtaining ordinary and necessary services in lieu of those which the victim would have performed, not for 22 income, but for their benefit, if he had not sustained 23 the fatal injury,
- reduced by expenses which the survivor or survivors would 24 25 probably have incurred but avoided by reason of the victim's 26 death resulting from injury.
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- 28 "Work loss" means:
- (A) loss of gross income of a victim during his 29 30 lifetime, as calculated pursuant to the provisions of

- 1 section 205 of this act; and
- 2 (B) reasonable expenses of a victim for hiring a
- 3 substitute to perform self-employment services, thereby
- 4 mitigating loss of income, or for hiring special help,
- 5 thereby enabling a victim to work and mitigate loss of
- 6 income.
- 7 Work loss shall not be recoverable as a "survivor's loss."
- 8 Section 2. Subsection (d) of section 202 of the act is
- 9 amended to read:
- 10 § 202. Basic loss benefits.
- 11 * * *
- 12 (d) Survivors losses.--Survivors loss, as defined in section
- 13 103 shall be provided in an amount not to exceed five thousand
- 14 dollars (\$5,000). Survivors loss in excess of five thousand
- 15 <u>dollars (\$5,000)</u> shall be recoverable in accordance with section
- 16 301.
- 17 * * *
- 18 Section 3. This act shall take effect immediately.