

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 1402 Session of
2007

INTRODUCED BY PALLONE, CALTAGIRONE, CARROLL, CONKLIN, CREIGHTON,
CURRY, FABRIZIO, FREEMAN, GEIST, GIBBONS, GRUCELA, HENNESSEY,
JAMES, KORTZ, KOTIK, MAHONEY, McILHATTAN, MURT, MYERS,
PETRARCA, READSHAW, SABATINA, SANTONI, SCAVELLO, SURRA,
J. WHITE AND YOUNGBLOOD, JUNE 5, 2007

REFERRED TO COMMITTEE ON INSURANCE, JUNE 5, 2007

AN ACT

1 Amending the act of May 17, 1921 (P.L.682, No.284), entitled "An
2 act relating to insurance; amending, revising, and
3 consolidating the law providing for the incorporation of
4 insurance companies, and the regulation, supervision, and
5 protection of home and foreign insurance companies, Lloyds
6 associations, reciprocal and inter-insurance exchanges, and
7 fire insurance rating bureaus, and the regulation and
8 supervision of insurance carried by such companies,
9 associations, and exchanges, including insurance carried by
10 the State Workmen's Insurance Fund; providing penalties; and
11 repealing existing laws," further providing for proper
12 notification of intention to cancel.

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

15 Section 1. Section 2006 of the act of May 17, 1921 (P.L.682,
16 No.284), known as The Insurance Company Law of 1921, is amended
17 by adding paragraphs to read:

18 Section 2006. Proper Notification of Intention to Cancel.--A
19 cancellation or refusal to renew by an insurer of a policy of
20 automobile insurance shall not be effective unless the insurer
21 delivers or mails to the named insured at the address shown in

1 the policy a written notice of the cancellation or refusal to
2 renew. The notice shall:

3 * * *

4 (8) Advise the insured that, in accordance with 75 Pa.C.S. §
5 1786(g)(2) (relating to required financial responsibility), no
6 person shall be penalized for maintaining a registered motor
7 vehicle without financial responsibility under 75 Pa.C.S. §
8 1786(d) if at the time the insurance coverage is terminated or
9 financial responsibility lapsed, the registration plate and card
10 were voluntarily surrendered to the Department of
11 Transportation.

12 (9) Advise the insured that, in accordance with 75 Pa.C.S. §
13 1786(d), if the policy is cancelled or not renewed and
14 subsequent policy is not immediately issued, the insured will be
15 subject to a three-month suspension of registration and
16 operating privileges, will be required to surrender the
17 registration plate and card to the Department of Transportation
18 and will be subject to the penalties provided under 75 Pa.C.S. §
19 1786(f).

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