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THE GENERAL ASSEMBLY OF PENNSYLVANIA

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HOUSE BILL

No. 667 Session of  
2013

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INTRODUCED BY MARSHALL, MUSTIO, PICKETT, GROVE, COHEN, DELUCA,  
KORTZ, ROCK, D. COSTA, MURT, SAINATO, EVANKOVICH AND  
DENLINGER, FEBRUARY 12, 2013

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REFERRED TO COMMITTEE ON TRANSPORTATION, FEBRUARY 12, 2013

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AN ACT

1 Amending Title 75 (Vehicles) of the Pennsylvania Consolidated  
2 Statutes, further providing for required financial  
3 responsibility.

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

6 Section 1. Section 1786(d)(2) and (e) of Title 75 of the  
7 Pennsylvania Consolidated Statutes are amended and subsection  
8 (d) is amended by adding a paragraph to read:

9 § 1786. Required financial responsibility.

10 \* \* \*

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

12 \* \* \*

13 (1.1) In lieu of serving a registration suspension  
14 imposed under this section, an owner or registrant may pay to  
15 the department a civil penalty of \$500, the fee for  
16 restoration of registration provided by section 1960 and  
17 furnish proof of financial responsibility in a manner  
18 determined by the department.

1           (2) Whenever the department revokes or suspends the  
2 registration of any vehicle under this chapter, the  
3 department shall not restore or transfer the registration  
4 until the suspension has been served or the civil penalty has  
5 been paid to the department and the vehicle owner furnishes  
6 proof of financial responsibility in a manner determined by  
7 the department and submits an application for registration to  
8 the department, accompanied by the fee for restoration of  
9 registration provided by section 1960. This subsection shall  
10 not apply in the following circumstances:

11           (i) The owner or registrant proves to the  
12 satisfaction of the department that the lapse in  
13 financial responsibility coverage was for a period of  
14 less than 31 days and that the owner or registrant did  
15 not operate or permit the operation of the vehicle during  
16 the period of lapse in financial responsibility.

17           (ii) The owner or registrant is a member of the  
18 armed services of the United States, the owner or  
19 registrant has previously had the financial  
20 responsibility required by this chapter, financial  
21 responsibility had lapsed while the owner or registrant  
22 was on temporary, emergency duty and the vehicle was not  
23 operated during the period of lapse in financial  
24 responsibility. The exemption granted by this paragraph  
25 shall continue for 30 days after the owner or registrant  
26 returns from duty as long as the vehicle is not operated  
27 until the required financial responsibility has been  
28 established.

29           (iii) The insurance coverage has terminated or  
30 financial responsibility has lapsed simultaneously with

1 or subsequent to expiration of a seasonal registration,  
2 as provided in section 1307(a.1) (relating to period of  
3 registration).

4 \* \* \*

5 (e) Obligations upon issuance, lapse, termination or  
6 cancellation of financial responsibility.--

7 (1) An owner of a motor vehicle who ceases to maintain  
8 financial responsibility on a registered vehicle shall not  
9 operate or permit operation of the vehicle in this  
10 Commonwealth until proof of the required financial  
11 responsibility has been provided to the Department of  
12 Transportation.

13 (2) An insurer who has issued a contract of motor  
14 vehicle liability insurance, or any approved self-insurance  
15 entity, shall notify the department [in a timely manner] of  
16 such issuance within 24 hours and in a method prescribed by  
17 the [department's regulations] department. [Upon request of  
18 an owner or registrant in the case of an appeal brought by an  
19 owner or registrant for suspension under this section, an  
20 insurer shall provide a copy of the notice of cancellation or  
21 a copy of the insurer's filing procedures with proof that the  
22 notice was written in the normal course of business and  
23 placed in the normal course of mailing. The department shall  
24 not be required to produce such copy or any other proof that  
25 notice of termination, lapse or cancellation was provided to  
26 the owner or registrant in order to satisfy the burden of  
27 proof in a proceeding under this section.]

28 (2.1) Upon request by the department, an insurer shall  
29 notify the department of all vehicles for which it is  
30 providing vehicle liability insurance on the date of the

1 request. The insurer shall submit the information as  
2 prescribed by the department.

3 (3) An insurer who has issued a contract of motor  
4 vehicle liability insurance [and knows or has reason to  
5 believe that the contract is only for the purpose of  
6 providing proof of financial responsibility] shall notify the  
7 department if the insurance has lapsed or been canceled or  
8 terminated by the insured or by the insurer. The insurer  
9 shall notify the department not later than ten days following  
10 the effective date of the cancellation or termination. Upon  
11 request of a motor vehicle owner or in the case of an appeal  
12 brought by an owner or registrant for suspension under this  
13 section, an insurer shall provide a copy of the notice of  
14 termination, lapse or cancellation or a copy of the insurer's  
15 filing procedures with proof that the notice was written in  
16 the normal course of business and placed in the normal course  
17 of mailing. The department shall not be required to produce  
18 such copy or any other proof that notice of termination,  
19 lapse or cancellation was provided to the owner or registrant  
20 in order to satisfy the burden of proof in a proceeding under  
21 this section.

22 (4) A person who, after maintaining financial  
23 responsibility on the vehicle of another person, ceases to  
24 maintain such financial responsibility shall immediately  
25 notify the vehicle's owner who shall not operate, or permit  
26 operation of, the vehicle in this Commonwealth.

27 (5) In the case of a person who leases any motor vehicle  
28 from a person engaged in the business of leasing motor  
29 vehicles, the lessee shall sign a statement indicating that  
30 the required financial responsibility has been provided

1 through the lessor or through the lessee's motor vehicle  
2 liability insurance policy coverage. The lessee shall submit  
3 the statement to the lessor.

4 (6) Upon request of the department, an insurer shall  
5 verify whether a contract of motor vehicle liability  
6 insurance has been issued for a vehicle.

7 (7) Certification by the department that it was unable  
8 to verify the existence of insurance shall be admissible into  
9 evidence, shall be prima facie evidence of the absence of  
10 required financial responsibility for purposes of this  
11 section and shall establish a presumption that the coverage  
12 does not exist.

13 \* \* \*

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