

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 1083 Session of 2021

INTRODUCED BY O'NEAL, KAIL, MILLARD, ECKER, GROVE, BERNSTINE, MIHALEK, SCHMITT, ZIMMERMAN, ROWE, WHEELAND, TOPPER, OWLETT, COOK, ROTHMAN, IRVIN AND THOMAS, APRIL 5, 2021

REFERRED TO COMMITTEE ON INSURANCE, APRIL 5, 2021

AN ACT

1 Amending Title 75 (Vehicles) of the Pennsylvania Consolidated
 2 Statutes, in financial responsibility, further providing for
 3 request for lower limits of coverage, for coverages in excess
 4 of required amounts, for stacking of uninsured and
 5 underinsured benefits and option to waive, for notice of
 6 available benefits and limits and for availability of
 7 uninsured, underinsured, bodily injury liability and property
 8 damage coverages and mandatory deductibles.

9 The General Assembly of the Commonwealth of Pennsylvania

10 hereby enacts as follows:

11 Section 1. Sections 1734, 1736, 1738, 1791 and 1792(a) of
 12 Title 75 of the Pennsylvania Consolidated Statutes are amended
 13 to read:

14 § 1734. Request for [lower] different limits of coverage.

15 A named insured may request in writing the issuance of
 16 coverages under section 1731 (relating to availability, scope
 17 and amount of coverage) in amounts [equal to or less than] other
 18 than the limits of liability for bodily injury. A named insured
 19 shall be conclusively presumed to have uninsured and
 20 underinsured motorist coverage in the same amount as the bodily

1 injury liability in the policy, unless another amount is elected
2 in accordance with this chapter.

3 § 1736. Coverages in excess of required amounts.

4 The coverages provided under this subchapter may be offered
5 by insurers in amounts higher than those required by this
6 chapter [but] and may [not] be greater than the limits of
7 liability specified in the bodily injury liability provisions of
8 the insured's policy.

9 § 1738. Stacking of uninsured and underinsured benefits [and
10 option to waive] prohibited.

11 [(a) Limit for each vehicle.--When more than one vehicle is
12 insured under one or more policies providing uninsured or
13 underinsured motorist coverage, the stated limit for uninsured
14 or underinsured coverage shall apply separately to each vehicle
15 so insured. The limits of coverages available under this
16 subchapter for an insured shall be the sum of the limits for
17 each motor vehicle as to which the injured person is an insured.

18 (b) Waiver.--Notwithstanding the provisions of subsection
19 (a), a named insured may waive coverage providing stacking of
20 uninsured or underinsured coverages in which case the limits of
21 coverage available under the policy for an insured shall be the
22 stated limits for the motor vehicle as to which the injured
23 person is an insured.

24 (c) More than one vehicle.--Each named insured purchasing
25 uninsured or underinsured motorist coverage for more than one
26 vehicle under a policy shall be provided the opportunity to
27 waive the stacked limits of coverage and instead purchase
28 coverage as described in subsection (b). The premiums for an
29 insured who exercises such waiver shall be reduced to reflect
30 the different cost of such coverage.

1 (d) Forms.--

2 (1) The named insured shall be informed that he may
3 exercise the waiver of the stacked limits of uninsured
4 motorist coverage by signing the following written rejection
5 form:

6 UNINSURED COVERAGE LIMITS

7 By signing this waiver, I am rejecting stacked limits
8 of uninsured motorist coverage under the policy for
9 myself and members of my household under which the limits
10 of coverage available would be the sum of limits for each
11 motor vehicle insured under the policy. Instead, the
12 limits of coverage that I am purchasing shall be reduced
13 to the limits stated in the policy. I knowingly and
14 voluntarily reject the stacked limits of coverage. I
15 understand that my premiums will be reduced if I reject
16 this coverage.

17 Signature of First Named Insured

18 Date

19 (2) The named insured shall be informed that he may
20 exercise the waiver of the stacked limits of underinsured
21 motorist coverage by signing the following written rejection
22 form:

23 UNDERINSURED COVERAGE LIMITS

24 By signing this waiver, I am rejecting stacked limits
25 of underinsured motorist coverage under the policy for
26 myself and members of my household under which the limits
27 of coverage available would be the sum of limits for each
28 motor vehicle insured under the policy. Instead, the
29 limits of coverage that I am purchasing shall be reduced
30 to the limits stated in the policy. I knowingly and

1 voluntarily reject the stacked limits of coverage. I
2 understand that my premiums will be reduced if I reject
3 this coverage.

4 Signature of First Named Insured

5 Date

6 (e) Signature and date.--The forms described in subsection
7 (d) must be signed by the first named insured and dated to be
8 valid. Any rejection form that does not comply with this section
9 is void.]

10 (a) General rule.--Regardless of the number of policies
11 issued, vehicles or premiums shown on a policy, premiums paid,
12 persons covered, vehicles involved in an accident, claims made
13 or lawsuits filed, in no event shall the limit of liability for
14 uninsured or underinsured motorist coverage applicable to two or
15 more motor vehicles covered under the same or separate policies,
16 where the injured person is a named insured or resident relative
17 under the policy or policies, be added together to determine the
18 liability for the coverage available to an injured person or
19 persons for any one accident.

20 (b) Noncovered vehicles.--If a person insured for uninsured
21 or underinsured coverage under a policy is an occupant of a
22 vehicle not covered in the policy, the priority of recovery in
23 section 1733 (relating to priority of recovery) shall apply. The
24 maximum amount payable under section 1733(a)(2) shall be the
25 single highest limit on any one vehicle for which the injured
26 person is a named insured or resident relative under the policy.

27 (c) Covered vehicles.--If a person insured for uninsured or
28 underinsured motorist coverage is an occupant of a vehicle
29 covered in that policy, the uninsured or underinsured motorist
30 coverage afforded by the policy covering the vehicle occupied at

1 the time of the accident shall be the only uninsured and
2 underinsured motorist coverage available.

3 (d) Pedestrians.--If a person insured for uninsured or
4 underinsured motorist coverage is injured as a pedestrian in a
5 motor vehicle accident, the uninsured or underinsured motorist
6 coverage shall be the single highest limit on any one vehicle
7 for which the injured person is a named insured or insured under
8 the policy.

9 § 1791. Notice of available benefits and limits.

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

15 **IMPORTANT NOTICE**

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

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

24 (1.1) Extraordinary medical benefits, from \$100,000
25 to \$1,100,000 which may be offered in increments of
26 \$100,000.

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

29 (3) Accidental death benefits, up to at least
30 \$25,000.

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

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

12 (6) [Uninsured, underinsured and bodily] Bodily
13 injury liability coverage up to at least \$100,000 because
14 of injury to one person in any one accident and up to at
15 least \$300,000 because of injury to two or more persons
16 in any one accident or, at the option of the insurer, up
17 to at least \$300,000 in a single limit for these
18 coverages, except for policies issued under the Assigned
19 Risk Plan. Also, at least \$5,000 for damage to property
20 of others in any one accident.

21 (7) Uninsured and underinsured liability coverage up
22 to at least \$300,000 because of injury to one person in
23 any one accident and up to at least \$900,000 because of
24 injury to two or more persons in any one accident or, at
25 the option of the insurer, up to at least \$900,000 in a
26 single limit for these coverages, except for policies
27 issued under the Assigned Risk Plan.

28 [Additionally, insurers] (8) Insurers may offer higher
29 benefit levels than those enumerated above as well as
30 additional benefits. However, an insured may elect to

1 purchase lower benefit levels than those enumerated
2 above.

3 Your signature on this notice or your payment of any
4 renewal premium evidences your actual knowledge and
5 understanding of the availability of these benefits and
6 limits as well as the benefits and limits you have
7 selected.

8 If you have any questions or you do not understand all of
9 the various options available to you, contact your agent
10 or company.

11 If you do not understand any of the provisions contained
12 in this notice, contact your agent or company before you
13 sign.

14 § 1792. Availability of uninsured, underinsured, bodily injury
15 liability and property damage coverages and mandatory
16 deductibles.

17 (a) Availability of coverages.--

18 (1) Except for policies issued under Subchapter D
19 (relating to Assigned Risk Plan) [, an]:

20 (i) An insurer issuing a policy of bodily injury
21 liability coverage pursuant to this chapter shall make
22 available for purchase higher limits of [uninsured,
23 underinsured and] bodily injury liability coverages up to
24 at least \$100,000 because of injury to one person in any
25 one accident and up to at least \$300,000 because of
26 injury to two or more persons in any one accident or, at
27 the option of the insurer, up to at least \$300,000 in a
28 single limit for these coverages.

29 (ii) An insurer issuing a policy of bodily injury
30 coverage under this chapter shall make available for

1 purchase higher limits of uninsured and underinsured
2 liability coverages up to at least \$300,000 because of
3 injury to one person in any one accident and up to
4 \$900,000 because of injury to two or more persons in any
5 one accident or, at the option of the insurers, up to at
6 least \$900,000 in a single limit for these coverages.

7 (2) Additionally, an insurer shall make available for
8 purchase at least \$5,000 because of damage to property of
9 others in any one accident. However, the exclusion of
10 availability relating to the Assigned Risk Plan shall not
11 apply to damage to property of others in any one accident.

12 * * *

13 Section 2. The amendment of 75 Pa.C.S. §§ 1734, 1736, 1738,
14 1791 and 1792(a) shall apply to policies issued or renewed on or
15 after 180 days after the effective date of this section.

16 Section 3. This act shall take effect in 180 days.