

THE GENERAL ASSEMBLY OF PENNSYLVANIA

SENATE BILL

No. 676 Session of 2021

INTRODUCED BY PITTMAN, MENSCH, STEFANO AND BAKER, MAY 11, 2021

REFERRED TO BANKING AND INSURANCE, MAY 11, 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  
 21 injury liability in the policy, unless another amount is elected

1 in accordance with this chapter.

2 § 1736. Coverages in excess of required amounts.

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

8 § 1738. Stacking of uninsured and underinsured benefits [and  
9 option to waive] prohibited.

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

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

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

30 (d) Forms.--

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

5 UNINSURED COVERAGE LIMITS

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

16 Signature of First Named Insured

17 Date

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

22 UNDERINSURED COVERAGE LIMITS

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

1 understand that my premiums will be reduced if I reject  
2 this coverage.

3 Signature of First Named Insured

4 Date

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

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

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

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

1 underinsured motorist coverage available.

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

8 § 1791. Notice of available benefits and limits.

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

14 **IMPORTANT NOTICE**

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

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

23 (1.1) Extraordinary medical benefits, from \$100,000  
24 to \$1,100,000 which may be offered in increments of  
25 \$100,000.

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

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

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

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

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

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

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

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

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

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

13 § 1792. Availability of uninsured, underinsured, bodily injury  
14 liability and property damage coverages and mandatory  
15 deductibles.

16 (a) Availability of coverages.--

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

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

28 (ii) An insurer issuing a policy of bodily injury  
29 coverage under this chapter shall make available for  
30 purchase higher limits of uninsured and underinsured

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

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

11        \* \* \*

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

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