

THE GENERAL ASSEMBLY OF PENNSYLVANIA

SENATE BILL

No. 676 Session of 2021

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

SENATOR DISANTO, BANKING AND INSURANCE, AS AMENDED, OCTOBER 27, 2021

AN ACT

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

10 The General Assembly of the Commonwealth of Pennsylvania
11 hereby enacts as follows:

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

15 SECTION 1. THE DEFINITION OF "FINANCIAL RESPONSIBILITY" IN <--
16 SECTION 1702 OF TITLE 75 OF THE PENNSYLVANIA CONSOLIDATED
17 STATUTES IS AMENDED TO READ:

18 § 1702. DEFINITIONS.

19 THE FOLLOWING WORDS AND PHRASES WHEN USED IN THIS CHAPTER
20 SHALL HAVE THE MEANINGS GIVEN TO THEM IN THIS SECTION UNLESS THE
21 CONTEXT CLEARLY INDICATES OTHERWISE:

1 * * *

2 "FINANCIAL RESPONSIBILITY." THE ABILITY TO RESPOND IN
3 DAMAGES FOR LIABILITY ON ACCOUNT OF ACCIDENTS ARISING OUT OF THE
4 MAINTENANCE OR USE OF A MOTOR VEHICLE IN THE MINIMUM AMOUNT OF
5 ~~[\$15,000]~~ \$25,000 BECAUSE OF INJURY TO ONE PERSON IN ANY ONE
6 ACCIDENT, IN THE AMOUNT OF ~~[\$30,000]~~ \$50,000 BECAUSE OF INJURY
7 TO TWO OR MORE PERSONS IN ANY ONE ACCIDENT AND IN THE MINIMUM
8 AMOUNT OF ~~[\$5,000]~~ \$10,000 BECAUSE OF DAMAGE TO PROPERTY OF
9 OTHERS IN ANY ONE ACCIDENT. THE FINANCIAL RESPONSIBILITY SHALL
10 BE IN A FORM ACCEPTABLE TO THE DEPARTMENT OF TRANSPORTATION.

11 * * *

12 SECTION 2. SECTIONS 1731(A), 1734, 1736, 1738, 1791 AND
13 1792(A) OF TITLE 75 ARE AMENDED TO READ:

14 § 1731. AVAILABILITY, SCOPE AND AMOUNT OF COVERAGE.

15 (A) MANDATORY OFFERING.--NO MOTOR VEHICLE LIABILITY
16 INSURANCE POLICY SHALL BE DELIVERED OR ISSUED FOR DELIVERY IN
17 THIS COMMONWEALTH, WITH RESPECT TO ANY MOTOR VEHICLE REGISTERED
18 OR PRINCIPALLY GARAGED IN THIS COMMONWEALTH, UNLESS UNINSURED
19 MOTORIST AND UNDERINSURED MOTORIST COVERAGES ARE OFFERED THEREIN
20 OR SUPPLEMENTAL THERETO IN AMOUNTS AS PROVIDED IN SECTION 1734
21 (RELATING TO REQUEST FOR ~~[LOWER]~~ DIFFERENT LIMITS OF COVERAGE).
22 PURCHASE OF UNINSURED MOTORIST AND UNDERINSURED MOTORIST
23 COVERAGES IS OPTIONAL.

24 * * *

25 § 1734. Request for ~~[lower]~~ different limits of coverage.

26 A named insured may request in writing the issuance of
27 coverages under section 1731 (relating to availability, scope
28 and amount of coverage) in amounts ~~[equal to or less than]~~ other
29 than the limits of liability for bodily injury. A named insured
30 shall be conclusively presumed to have uninsured and

1 underinsured motorist coverage in the same amount as the bodily
2 injury liability in the policy, unless another amount is elected
3 in accordance with this chapter.

4 § 1736. Coverages in excess of required amounts.

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

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

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

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

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

1 the different cost of such coverage.

2 (d) Forms.--

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

7 UNINSURED COVERAGE LIMITS

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

18 Signature of First Named Insured

19 Date

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

24 UNDERINSURED COVERAGE LIMITS

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

1 to the limits stated in the policy. I knowingly and
2 voluntarily reject the stacked limits of coverage. I
3 understand that my premiums will be reduced if I reject
4 this coverage.

5 Signature of First Named Insured

6 Date

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

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

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

28 ~~(c) Covered vehicles. If a person insured for uninsured or~~
29 ~~underinsured motorist coverage is an occupant of a vehicle~~
30 ~~covered in that policy, the uninsured or underinsured motorist~~

~~1 coverage afforded by the policy covering the vehicle occupied at~~
~~2 the time of the accident shall be the only uninsured and~~
~~3 underinsured motorist coverage available.~~

~~4 (d) Pedestrians. If a person insured for uninsured or~~
~~5 underinsured motorist coverage is injured as a pedestrian in a~~
~~6 motor vehicle accident, the uninsured or underinsured motorist~~
~~7 coverage shall be the single highest limit on any one vehicle~~
~~8 for which the injured person is a named insured or insured under~~
~~9 the policy.~~

10 (F) PROHIBITION.--THE LIMIT OF LIABILITY FOR UNINSURED OR <--
11 UNDERINSURED MOTORIST COVERAGE APPLICABLE TO TWO OR MORE MOTOR
12 VEHICLES COVERED UNDER THE SAME OR SEPARATE POLICY OF AN INSURED
13 SHALL NOT BE ADDED TOGETHER TO DETERMINE THE LIMIT OF THE
14 COVERAGE AVAILABLE TO AN INJURED PERSON FOR AN ACCIDENT.

15 (G) NONCOVERED VEHICLES.--SECTION 1733 (RELATING TO PRIORITY
16 OF RECOVERY) SHALL APPLY IF AN INSURED IS INJURED AS AN OCCUPANT
17 IN A VEHICLE NOT COVERED UNDER THE INSURED'S POLICY, UNLESS THE
18 COVERAGE IS OTHERWISE EXCLUDED. THE MAXIMUM PAYMENT UNDER
19 SECTION 1733(A) (2) SHALL BE THE SINGLE HIGHEST LIMIT ON ANY ONE
20 VEHICLE FOR WHICH THE INJURED PERSON IS AN INSURED.

21 (H) COVERED VEHICLES.--IF AN INSURED IS INJURED AS AN
22 OCCUPANT OF A VEHICLE COVERED UNDER THE INSURED'S POLICY, UNLESS
23 THE COVERAGE IS OTHERWISE EXCLUDED, THE UNINSURED OR
24 UNDERINSURED MOTORIST COVERAGE AFFORDED BY THE POLICY COVERING
25 THE VEHICLE OCCUPIED AT THE TIME OF THE ACCIDENT SHALL BE THE
26 ONLY UNINSURED OR UNDERINSURED MOTORIST COVERAGE AVAILABLE.

27 (I) PEDESTRIANS.--IF AN INSURED IS INJURED AS A PEDESTRIAN
28 IN A MOTOR VEHICLE ACCIDENT, THE UNINSURED OR UNDERINSURED
29 MOTORIST COVERAGE SHALL BE THE SINGLE HIGHEST LIMIT ON ANY ONE
30 VEHICLE FOR WHICH THE INJURED PERSON IS AN INSURED.

1 § 1791. Notice of available benefits and limits.

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

7 **IMPORTANT NOTICE**

8 Insurance companies operating in the Commonwealth of
9 Pennsylvania are required by law to make available for
10 purchase the following benefits for you, your spouse or
11 other relatives or minors in your custody or in the
12 custody of your relatives, residing in your household,
13 occupants of your motor vehicle or persons struck by your
14 motor vehicle:

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

16 (1.1) Extraordinary medical benefits, from \$100,000
17 to \$1,100,000 which may be offered in increments of
18 \$100,000.

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

21 (3) Accidental death benefits, up to at least
22 \$25,000.

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

24 (5) As an alternative to paragraphs (1), (2), (3)
25 and (4), a combination benefit, up to at least \$177,500
26 of benefits in the aggregate or benefits payable up to
27 three years from the date of the accident, whichever
28 occurs first, subject to a limit on accidental death
29 benefit of up to \$25,000 and a limit on funeral benefit
30 of \$2,500, provided that nothing contained in this

1 subsection shall be construed to limit, reduce, modify or
2 change the provisions of section 1715(d) (relating to
3 availability of adequate limits).

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

13 [Additionally, insurers] (7) Uninsured and
14 underinsured liability coverage up to at least \$300,000
15 because of injury to one person in any one accident and
16 up to at least \$900,000 because of injury to two or more
17 persons in any one accident or, at the option of the
18 insurer, up to at least \$900,000 in a single limit for
19 these coverages, except for policies issued under the
20 Assigned Risk Plan.

21 (8) Insurers may offer higher benefit levels than
22 those enumerated above as well as additional benefits.
23 However, an insured may elect to purchase lower benefit
24 levels than those enumerated above.

25 Your signature on this notice or your payment of any
26 renewal premium evidences your actual knowledge and
27 understanding of the availability of these benefits and
28 limits as well as the benefits and limits you have
29 selected.

30 If you have any questions or you do not understand all of

1 the various options available to you, contact your agent
2 or company.

3 If you do not understand any of the provisions contained
4 in this notice, contact your agent or company before you
5 sign.

6 § 1792. Availability of uninsured, underinsured, bodily injury
7 liability and property damage coverages and mandatory
8 deductibles.

9 (a) Availability of coverages.--

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

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

21 (ii) An insurer issuing a policy of bodily injury
22 coverage under this chapter shall make available for
23 purchase higher limits of uninsured and underinsured
24 liability coverages up to at least \$300,000 because of
25 injury to one person in any one accident and up to
26 \$900,000 because of injury to two or more persons in any
27 one accident or, at the option of the ~~insurers~~ INSURER, <--
28 up to at least \$900,000 in a single limit for these
29 coverages.

30 (2) Additionally, an insurer shall make available for

1 purchase at least \$5,000 because of damage to property of
2 others in any one accident. However, the exclusion of
3 availability relating to the Assigned Risk Plan shall not
4 apply to damage to property of others in any one accident.

5 * * *

6 ~~Section 2. The amendment of 75 Pa.C.S. §§ 1734, 1736, 1738, <--~~
7 ~~1791 and 1792(a) shall apply to policies issued or renewed on or~~
8 ~~after 180 days after the effective date of this section.~~

9 ~~Section 3. This act shall take effect in 180 days.~~

10 SECTION 3. ANY CHANGE IN COVERAGE OF A PRIVATE PASSENGER <--
11 AUTOMOBILE INSURANCE POLICY RESULTING FROM THE AMENDMENT OF 75
12 PA.C.S. § 1702 SHALL NOT IMPACT THE VALIDITY OF ANY WAIVER,
13 SELECTION OF BENEFITS OR AMOUNT OF BENEFITS IN THAT POLICY
14 BEYOND THE COVERAGE AMOUNTS AS A RESULT OF THE AMENDMENT OF 75
15 PA.C.S. § 1702, NOR REQUIRE THAT NEW FORMS BE SIGNED BY THE
16 INSURED NAMED IN THE POLICY.

17 SECTION 4. THIS ACT SHALL APPLY TO POLICIES ISSUED OR
18 RENEWED ON OR AFTER 180 DAYS AFTER THE EFFECTIVE DATE OF THIS
19 SECTION. NOTHING IN THIS ACT SHALL BE CONSTRUED TO ALTER THE
20 ELECTION OF TORT OPTIONS IN A POLICY ISSUED OR RENEWED ON OR
21 AFTER ONE YEAR AFTER THE EFFECTIVE DATE OF THIS SECTION.

22 SECTION 5. THIS ACT SHALL TAKE EFFECT IN 180 DAYS.