

THE GENERAL ASSEMBLY OF PENNSYLVANIA

SENATE BILL

No. 1212 Session of 2020

INTRODUCED BY PITTMAN, SCAVELLO, MASTRIANO, MARTIN, MENSCH,
BAKER, DiSANTO AND ARNOLD, JUNE 23, 2020

REFERRED TO BANKING AND INSURANCE, JUNE 23, 2020

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

17 Signature of First Named Insured

18

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
6 Signature of First Named Insured
7
8 Date

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

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

21 (b) Nonowned vehicles.--If a person insured for uninsured or
22 underinsured coverage is an occupant of a nonowned vehicle
23 covered by a policy also providing uninsured or underinsured
24 motorist coverage, the priority of recovery in section 1733
25 (relating to priority of recovery) shall apply. The maximum
26 amount payable under section 1733(a) (2) shall be the single
27 highest limit on any one vehicle for which the injured person is
28 a named insured or resident relative under the policy.

29 (c) Owned vehicles.--If any person insured for uninsured or
30 underinsured motorist coverage is an occupant of an owned

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

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

11 § 1791. Notice of available benefits and limits.

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

17 **IMPORTANT NOTICE**

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

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

26 (1.1) Extraordinary medical benefits, from \$100,000
27 to \$1,100,000 which may be offered in increments of
28 \$100,000.

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

1 (3) Accidental death benefits, up to at least
2 \$25,000.

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

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

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

23 (7) Uninsured and underinsured liability coverage up
24 to at least \$300,000 because of injury to one person in
25 any one accident and up to at least \$900,000 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 \$900,000 in a
28 single limit for these coverages, except for policies
29 issued under the Assigned Risk Plan.

30 [Additionally, insurers] (8) Insurers may offer higher

1 benefit levels than those enumerated above as well as
2 additional benefits. However, an insured may elect to
3 purchase lower benefit levels than those enumerated
4 above.

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

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

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

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

19 (a) Availability of coverages.--

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

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

1 (ii) An insurer issuing a policy of bodily injury
2 coverage under this chapter shall make available for
3 purchase higher limits of uninsured and underinsured
4 liability coverages up to at least \$300,000 because of
5 injury to one person in any one accident and up to
6 \$900,000 because of injury to two or more persons in any
7 one accident or, at the option of the insurers, up to at
8 least \$900,000 in a single limit for these coverages.

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

14 * * *

15 Section 2. The amendment of 75 Pa.C.S. §§ 1734, 1736, 1738,
16 1791 and 1792(a) shall apply to policies issued or renewed on or
17 after 180 days after the effective date of this section.

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