

Bill Summary

COMMITTEE: Banking and Insurance

DATE: 6/19/13

PRIME SPONSOR: Eichelberger

BILL NO: SB1040

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A. Synopsis:

SB1040 amends Title 75 by providing for manner of providing proof of financial responsibility, for required financial responsibility, and for availability of uninsured, bodily/property damage coverage, and mandatory deductibles.

A. Summary:

The bill states insurers must provide financial responsibility ID cards to insureds. If both parties agree, the insurer may issue the financial responsibility ID cards solely in electronic format.

These cards will list the coverage period among other information as required by the Pa Insurance Department. Certain situations allow for cards to be held for 6 months even if payment may be for a period of less time. It is not required to issue a new card upon changes in coverage under an existing policy for which a premium adjustment is required.

If an insured chooses to provide proof of financial responsibility to be viewed on his or her electronic device, police officers are immune from liability relating to damage or inadvertent deletions, etc. of the device. The owner of the device would assume liability for any damage.

Upon registering a vehicle, the owner of that vehicle must provide proof of financial responsibility upon request (paper or electronic form).

The bill repeals the mandatory minimum of \$100 for auto collision deductibles.

Additionally, current law states insurers are required to offer consumers a \$500 deductible unless a customer signs a form requesting a lower amount. This signature requirement is removed under SB1040.