

LEG REG REVIEW

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LEG REG REVIEW is a periodic newsletter produced by Vince Phillips who retired from active lobbying after 31 years of advocacy in Harrisburg. It contains news on the legislative and regulatory scene in Pennsylvania that may be of interest to the Insurance and Business Communities. Annual subscriptions are \$100 and information may be obtained by contacting PHILLIPS ASSOCIATES at 717/728-1217 or e-mail to xenobun@aol.com.

LEGISLATIVE UPDATE. The House met in session this past week but the Senate did not. Both will return to Harrisburg on April 8. House action generally did not specifically involve insurance. For example, **House Bill 1819** (Burns-D-Cambria) passed the House March 27 by a 199-2 vote regarding funeral home inspectors but there is no mention of any additional insurance requirements for them. **Other legislation may not have specifically mentioned insurance but could affect underwriting, liability, and exclusions:**

House Bill 1443 (Green-D-Phila.) which passed the House 102-99 on March 27 creates the Statewide Advisory Council on Playground Safety. The Council would be responsible for reviewing and suggesting playground safety standards and safety regulations and recommend enforcement. Personnel training would be required and models would be developed to assist owners/operators of playgrounds to develop a compliant playground.

NOTE: Following is the definition of a playground and a link to the full text:

"Playground." An improved outdoor area designed, equipped and set aside for children's play which is not intended for use as an athletic playing field or athletic court. The term shall include any play equipment, surfacing, fencing, signs, internal pathways, internal land forms, vegetation and related structures. The term shall exclude home playgrounds, home playground equipment, amusement park equipment, sports equipment, fitness equipment and limited access contained play systems." Link:

<https://www.legis.state.pa.us/CFDOCS/Legis/PN/Public/btCheck.cfm?txtType=PDF&sessYr=2023&sessInd=0&billBody=H&billTyp=B&billNbr=1443&pn=2810>.

House Bill 777 (Cephas-D-Phila.) outlaws the sale or transfer of so-called 'ghost guns' or 'privately made firearms' not having serial numbers. It includes components that could make a working firearm. Privately owned firearms must be registered, destroyed, or surrendered to law enforcement. There were two votes by the full House. Whether this bill is constitutional or not was decided 101-100. Final passage was a vote of 104-4 with one Democrat crossing over to vote no (Burns-D-Cambria). Four Republicans broke ranks to vote with the Democratic majority: White (Phila.), Kerwin (Dauphin), Tomlinson and Hogan (both from Bucks County). Following is a link to the House Appropriations Committee analysis on HB 777:

<https://www.legis.state.pa.us/WU01/LI/BI/FN/2023/0/HB0777P2578.pdf>.

House Bill 1869 (Venkat-D-Allegheny) mandates owners of retail food facilities to display posters to provide employees with information on food allergy awareness and notice to customers on known food allergens used in food preparation. Customers are requested to inform food facility staff of known allergies. These shall be written notices and can be included on menus. Further, posters must be posted listing major allergies, reactions and other requirements of the FDA Food Code. The final vote on March 26 was 148-53.

House Bill 1956 (Kosierowski-D-Lackawanna) passed the House 201-0 on March 25. It requires that diagnostic imaging services provide notice of results to patients as follows:

- Patient was notified at time of service.
- Results were posted on the patient's portal.
- The health care practitioner requires a face-to-face meeting to discuss results.
- If results show reasonable likelihood of malignancy or genetic markings, the practitioner has one full business day to review the results before they are released to the patient's portal.

HOUSE INSURANCE COMMITTEE MET MARCH 25

On March 25, the House Insurance Committee met to consider four bills:

- **House Bill 1512** (Sappey-D-Chester) establishes a regulatory framework for Telemedicine and requires health insurance payments of remote health care claims. Rep. Sappey has introduced this bill in at least two previous sessions. A companion bill is **Senate Bill 739** (Vogel-R-Beaver) which is now in the Senate Appropriations Committee awaiting consideration.
- **House Bill 2096** (Warren-D-Bucks) allows Surplus Lines licensees to charge service fees for placing an Excess & Surplus Lines (E&S) policy; Personal lines E&S fees may not exceed \$150 or 4-percent of the premium; Commercial fees shall be “*reasonable in relation to cost of underwriting, issuing, and processing the policy*”. Fees shall be reported by the licensee monthly. The legislation was introduced to nullify the impact of a PA Supreme Court ruling in *Woodford v. PA Insurance Department*. The ruling forbade the payment of fees to surplus lines licensees in addition to a commission. Following is a link to the text of the ruling: <https://casetext.com/case/woodford-v-pa-ins-dept-1>.
- **House Bill 1664** (Scott-D-Montgomery) would require that health insurers provide to dentists a claims submission option instead of a blanket requirement of virtual credit card payments. After being reported out by the House Insurance Committee, the bill was re-referred to the House Appropriations Committee on March 27.
- **House Bill 660** (Schlossberg-D-Lehigh) was reported out by the House Insurance Committee but was re-referred to the House Appropriations Committee on March 27. It establishes a regulatory framework for writing Pet Insurance using the National Association of Insurance Commissioners (NAIC) model as a base. Among other things it specifies:
 - **Training.** (pages 13-14) Insurance producers selling pet insurance shall be “*appropriately trained on coverages and conditions of (the) pet insurance policy.*”
 - **30-day free look** period and timely refund of premium. A prescribed notice in 12-point type would be on face of policy.
 - **Disclosures.** There are numerous disclosures such as for a clearly stated deductible, lifetime limit of policy, etc.
 - **Waiting Period.** A waiting period shall not exceed 30 days. Accident claims will be paid during the waiting period.
 - **Renewal.** No waiting periods or veterinarian exams are required for the renewal
 - **Payment.** Premiums may be paid electronically.
 - **Text of HB 660:**
<https://www.legis.state.pa.us/CFDOCS/Legis/PN/Public/btCheck.cfm?txtType=PDF&sessYr=2023&sessInd=0&billBody=H&billTyp=B&billNbr=0660&pn=2785>.

DISTRACTED DRIVING BILL ADVANCES IN HOUSE

Senate Bill 37 (R. Brown-R-Lackawanna/Wayne/Monroe) was reported out from the House Transportation Committee on March 26 by a 19-6 vote. The legislation’s goal is to address the problem of distracted driving that causes accidents by prohibiting the driver’s use of a handheld interactive device while driving (except in emergencies). The Transportation Committee adopted two amendments --- to require collection of some profiling information during traffic stops and to remove an exemption for a commercial driver whose use is job-sanctioned and according to U.S. Department of Transportation rules. The profiling information collected by State Police or local police officer would include: reason for stop; race; gender and age; whether or not there was a search (and results); and outcome (warning, ticket, arrest, etc.). **NOTE:** If reading SB 37, make sure that you are looking at Printer’s Number 1458 since the bill has been amended four times. Link: <https://www.legis.state.pa.us/CFDOCS/Legis/PN/Public/btCheck.cfm?txtType=PDF&sessYr=2023&sessInd=0&billBody=S&billTyp=B&billNbr=0037&pn=1458>.

COMMITTEE NOTE: as of March 30, neither the House Insurance Committee nor the Senate Banking & Insurance Committee have scheduled meetings.