

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.

GENERAL LEGISLATIVE UPDATE

Following are remaining session days for the 2023-24 General Assembly.

<u>Chamber</u>	<u>October</u>	<u>November</u>
Senate	7, 8, 9, 21, 22, 23	13, 14
House	same	same

The House is back with (again) a one-vote majority for Democrats to continue to control the House of Representatives until the session's end. Sworn in were the two Philadelphia Democratic special election winners, Representatives Keith Harris (District 195) and Andre Carroll (District 201). They will complete the unexpired terms of their predecessors to November 30. Given no GOP candidates for November's election, they will return to the House next year.

HOUSE ACTIVITY

HOUSE TO TAKE UP AMENDED PRODUCER LICENSING BILL

This week, the House is expected to take up legislation regarding insurance producer licensing and continuing education. **Senate Bill 1241** (Gebhard-R-Lebanon) eliminates the current requirement of 24 hours of pre-licensing instruction before a licensing test can be taken. It was amended to require three hours of Ethics training for all agents and a mandated two-hour continuing education course on Flood Insurance for P/C-licensed agents. With amendments, the House Insurance Committee reported SB 1241 on September 30 by a unanimous vote.

Also, on second consideration (meaning the House will likely vote on them with one more legislative day needed) are:

- **House Bill 2412** (Dellosio-D-Delaware) would provide for interagency cooperation regarding employee misclassification (Workers Compensation fraud, employee health benefits, etc.). It was reported out by the House Rules Committee on September 23.
- **House Bill 2360** (Donahue-D-Lackawanna) strengthens verification requirements of construction contractors. **NOTE:** The bill language explicitly states that it does not conflict with the Home Improvement Consumer Protection Act. The Rules Committee approved it on September 23.

HOUSE INSURANCE COMMITTEE MOVES THREE ACA BILLS

On September 30, the House Insurance Committee moved three bills protecting the Affordable Care Act (ACA). The votes for all three were 24-1 with Rep. Wendy Fink (R-York) dissenting. The bills' rationale is to protect core components of the Federal law in case courts strike them down or they are repealed by the U.S. Congress. They include:

- **House Bill 2562** (Frankel-D-Allegheny) prohibiting health insurers from setting annual or lifetime coverage limits.
- **House Bill 2563** (Pashinski-D-Luzerne) keeping dependent coverage to age 26.
- **House Bill 2564** (Haddock-D-Luzerne/Lackawanna) prohibiting health insurers from denying or excluding health care coverage for pre-existing conditions like high blood pressure, asthma, cancer, etc.

They are scheduled for second consideration on Tuesday, October 8.

RIGHT TO REPAIR ADVANCES

A Right To Repair bill was reported out by the House Commerce Committee by a 14-11 vote with Democrats voting for. **House Bill 2535** (Mullins-D-Lackawanna) would require digital electronic equipment manufacturers to provide access to information in regards to repairing digital equipment to owners and independent repair providers. The bill does protect manufacturers' interests in several ways such as not requiring '*disclosure of a trade secret except as necessary to provide, on fair and reasonable terms, to any documentation, tool, part or other device or implement used to diagnose, maintain, repair, or update digital electronic equipment.*' Another protection is protecting the manufacturer from '*liability for damage or injury caused by an owner or independent repair provider during the course of the repair, diagnosis or maintenance...*' In addition, there are exclusions to the reach of this bill for vehicle manufacturers, farm vehicles, industrial and construction equipment, turf, yard and garden equipment, etc. (see page nine). Text follows:

<https://www.legis.state.pa.us/CFDOCS/Legis/PN/Public/btCheck.cfm?txtType=PDF&sessYr=2023&sessInd=0&billBody=H&billTyp=B&billNbr=2535&pn=3695>.

HOUSE COMMITTEE WORK

- On September 30, the House Transportation Committee reported out **House Bill 2582** (Neilson-D-Phila.) by a 25-0 vote. It would require that PennDOT include at least one question on driving exams about driving in work zones and that PennDOT step up its public education efforts.
- **House Bills 2393 and 2594** (Friel-D-Chester) were advanced by the House Environmental Resources & Energy Committee October 1 by votes of 23-2 and 16-9 respectively. Both intend to regulate food processing residual waste and require certification to haulers of residual waste.
- The House Insurance Committee held an October 2 hearing on the use of artificial intelligence-based algorithms by health insurers in processing claims per **House Bill 1663** (Venkat-D-Allegheny). Link: <https://www.legis.state.pa.us/cfdocs/legis/CMS/ArchiveDetails.cfm?SessYear=2023&MeetingId=4077&Code=22&Chamber=H>.
- On October 7, the House Veteran Affairs & Emergency Preparedness Committee will consider **House Resolution 540** (Marcell-R-Bucks) declaring October 6-12, 2024 as Fire Prevention Week in PA.

SENATE ACTIVITY

On the calendar for second consideration is **House Bill 2127** (Fiedler-D-Phila.) which allows hospitals, birthing centers, physicians and midwives to provide a fact sheet and resource list for perinatal or postpartum mood and anxiety disorder. **INSURANCE NOTE:** The original bill required screening as well. This would have added to health insurers' claim costs.

House Bill 2084 (Briggs-D-Montgomery) is also on the Senate calendar for second consideration. It establishes a license for virtual drug manufacturers in PA. These are entities with a place of business in PA which manufactures or distributes an FDA-approved drug or medical device and where that drug or device is not produced or distributed from the company PA headquarters. **INSURANCE NOTE:** It also requires a surety bond of a minimum of \$25,000 and a maximum of \$100,000 depending on the value of gross receipts. Previously on October 1, the Senate Health & Human Services Committee reported out HB 2084 by a 19-0 vote.

SENATE COMMITTEE WORK

- On October 7, the Senate Banking & Insurance Committee will consider **House Bill 2268** (Markosek-D-Westmoreland) mandating health insurance coverage of speech therapy for stuttering.
- On September 18, the Senate Banking & Insurance and Aging & Youth Committees held a joint hearing on protecting seniors from financial exploitation. Link: <https://www.legis.state.pa.us/cfdocs/legis/CMS/ArchiveDetails.cfm?SessYear=2023&MeetingId=4037&Code=37&Chamber=S>.