

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 ASSEMBLY ORGANIZES

On January 7, 2025, the PA General Assembly reconvened. The business for the week included:

- Selection/Ratification of Leadership and approval of Chamber Rules
- Announcement of Committee Chairs
- Selection of Committee Members
- Formal Introduction of Bills

Selection/Ratification of Leadership and Approval of Rules

House Speaker Joanna McClinton (D-Phila.) was re-elected to this position for the 2025-26 legislative session. That means that Democrats with a one-seat majority in the House of Representatives continue their control of that chamber. That translates as Majority Chairs of committees, (along with their Majority Leader Rep. Matt Bradford-D-Montgomery) giving Democrats power over what legislation moves. Speaker McClinton's re-election was not without some drama. Because Rep. Matt Gergely (D-Allegheny) was unable to attend due to a medical situation, the House vote on January 7 was tied 101 to 101. Unlike last session, the end result was negotiation regarding Rules of the House and subsequent re-election of the Speaker and approval of the Rules by a bipartisan vote. House Republicans reaffirmed their selection of Rep. Jesse Topper (R-Bedford/Fulton) as Minority Leader.

As expected, in the Senate, leadership positions were unchanged with Senator Kim Ward (R-Westmoreland) continuing as President Pro Tempore, Senator Joe Pittman (R-Indiana) as Majority Leader and Senator Jay Costa (D-Allegheny) continuing as Minority Leader. The Rules were adopted by a partisan vote with majority Republicans voting yes.

Announcement of Committee Chairs

Both the Senate Banking & Insurance Committee and the House Insurance Committee have new Majority Chairs.

Senator Chris Gebhard (R-Lebanon) replaces former Banking & Insurance Committee Majority Chair Senator John DiSanto (R-Dauphin) who did not seek re-election. Gebhard is a licensed insurance producer and agency owner. Most recently, he championed **Senate Bill 1241 (Act 142 of 2024)** to eliminate the mandated 24 hours of pre-licensing instruction formerly mandated by Act 147, to require three hours of Ethics training for all insurance producers and requiring two hours of Flood Insurance instruction for property insurance producers selling Flood Insurance. Another Gebhard insurance bill from the 2023-24 session included **Senate Bill 901** that sought to change existing law on 'stacking' in auto insurance policies to one allowing the purchase of Uninsured/Under Insured (UM/UIM) up to four times bodily injury coverage for new policies and for other policies the amount of UM/UIM consistent with bodily injury coverage.

The new House Insurance Committee Majority Chair is Rep. Perry Warren (D-Bucks). He replaces former Representative Patty Kim (D-Dauphin/Cumberland) who was elevated into the Senate by the 2024 election. Rep. Perry is noted for several insurance legislative accomplishments in the 2023-24 session. First, he was the prime sponsor of **House Bill 735, now Act 22 of 2023**. This established the Flood Insurance Premium Task Force to examine ways for property owners to reduce Flood Insurance premiums and strengthen state oversight. The effort was chaired by Insurance Commissioner Michael Humphreys. A link to the final report follows:

Rep. Warren also sponsored the amendment to **Senate Bill 1241** codifying into law two hours of Flood Insurance continuing education instruction for insurance producers selling that product. Other insurance legislation having Rep. Warren as prime sponsor in the 2023-24 session include:

- **House Bill 2096 (signed into law as Act 45 of 2024)** authorizes a Surplus Lines licensee to charge fees for coverage on a personal Surplus Lines policy at either four percent of the premium or \$150, whichever amount is greater.
- **House Bill 1224** would have classified traveling sales businesses crews as employees so as to guarantee benefits and coverage under the Workers Compensation Law. Currently, most individuals in those crews are considered to be independent contractors.
- **House Resolution 345** would have recognized a ‘Flood Insurance Awareness Week’.

Minority Chairs of both Senate Banking & Insurance and House Insurance Committees remain the same, Senator Sharif Street (D-Phila.) and Rep. Tina Pickett (R-Bradford) respectively.

Committee Members:

- As of January 12, members of the Senate Banking & Insurance Committee have not been formally named.
- There are 12 returning Democratic members to the House Insurance Committee and three new members.
- On the Republican side only six current members of the House Insurance Committee served on this committee in the last session.
- Following are the new members of the House Insurance Committee. None of the Republican members new to the Insurance Committee were prime sponsors of insurance legislation in the 2023-24 session. **NOTE:** Lack of being a prime sponsor does not suggest that they are not interested in insurance issues. They may have added their name as a co-sponsor. For example, Rep. Greiner sponsored and co-sponsored 180 bills in the 2023-24 session. Some of those were insurance-related.

<u>New Committee Member/Party/County</u>	<u>Insurance Prime Sponsorship in 2023-24 Session</u>
- Aaron Berstein (R-Lawrence/Butler)	none
- Keith Greiner (R-Lancaster)	none
- Ann Flood (R-Northampton)	none
- Jonathan Fritz (R- Wayne/Susquehanna)	none
- Louis Schmidt (R- Blair)	none
- Dane Watro (R- Schuylkill/Luzerne)	none
- Michael Schlossberg (D- Lehigh)	Prime sponsor, House Bill 660 now Act 19 of 2024 to establish a regulatory framework for Pet Insurance
- Chris Sappey (D-Chester)	Prime sponsor of House Bill 1512 to regulate Telemedicine and require health insurance companies to pay claims.

Rep. Sappey also sponsored **House Bill 2399** in the 2023-24 session to mandate health insurance company coverage for prosthetic devices, their component parts, and their maintenance.

COMMITTEE NOTE: In its reorganization, the House created the new Communications & Technology Committee and split the former Environmental Resources & Energy Committee into the new Energy Committee and the re-named Environmental & Natural Resources Protection Committee.

SESSION NOTE: The House and Senate reconvene in Harrisburg on January 27.