

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. Subscriptions are \$100 and information may be obtained by contacting PHILLIPS ASSOCIATES at 717/728-1217 or e-mail to xenobun@aol.com.

SOME NEW LAWS OF INTEREST TO THE INSURANCE COMMUNITY

2021 has seen several laws affecting insurance companies, insurance producers and the clients they serve.

- **ANNUITY MARKETING.**

On December 22, 2021, **Senate Bill 772** (DiSanto-R-Dauphin/Perry) was signed into law by Governor Tom Wolf as **Act 99 of 2021**. This legislation changes PA law to match National Association of Insurance Commissioners' Model Law. Specifically, it increases the due diligence for an insurance producer marketing annuities to ensure that any recommendation is truly in the client's best interest. The current standard is "suitability." The new law takes effect in 80 days. Previewing the text might be prudent if you are in the annuity market:

<https://www.legis.state.pa.us/cfdocs/legis/PN/Public/btCheck.cfm?txtType=HTM&sessYr=2021&sessInId=0&billBody=S&billTyp=B&billNbr=0772&pn=1127>.

- **HEALTH**

- **Senate Bills 397 and Senate Bill 398** (Pittman-R-Indiana) expand the authority of physician assistants without a doctor approval (**NOTE: may have liability implications for Medical Malpractice insurance**). They are **Acts 78 and 79 respectively**.

- **House Bill 1774** (Flood-R-Northampton) is now **Act 72 of 2021**. It extends the life of the ABC-MAP Act (Achieving Better Care by Monitoring All Prescriptions Program) until December 31, 2028 and adds several groups having access to this prescription information including employees of CHIP, Workers Compensation Security Fund, Medicaid, PACE and PACENET (drug subsidies for elderly), and Dept. of Labor & Industry employees engaged in administration and regulation of medical fee disputes and medical treatment utilization review under the Workers Compensation Act.

- **Senate Bill 425** (Gordner-R-Columbia) amends the Medical Care Availability & Reduction of Errors Act (MCARE) to say that patients must give informed consent to any medical procedures that might be rendered if he/she is not conscious (**NOTE: may have liability implications for Medical Malpractice insurance**). It is now **Act 61 of 2021**.

- **Senate Bill 484** (Stefano-R-Fayette/Somerset/Westmoreland) is **Act 63 of 2021**. It adds a Veterans Affairs member to the PA Department of Aging's Long-Term Care Council.

- **INSURANCE PRODUCERS (AGENTS AND BROKERS)**

House Bill 1349 (Pickett-R-Bradford) is **Act 46 of 2021**. It amends the Insurance Department Act to allow the Department to electronically process FBI criminal history reports of insurance producers during the licensing and license renewal process. The new law took effect on August 30, 2021. It also stipulates that change of address notifications to the Department include telephone and email address.

- **LIABILITY**

House Bill 101 (Gleim-R-Cumberland) or **Act 27 of 2021** provides limited liability for farmers engaged in agritourism and agri-entertainment as long as they make reasonable safety precautions and provide notification of perils connected with farming to their visitors. **NOTE: This may result in fewer insurance claims being paid from inapplicable lawsuits.**

- **WORKERS COMPENSATION INSURANCE**

Senate Bill 147 (Langerholc-R-Cambria) adds an additional requirement for Labor & Industry approval of a certified worker safety committee. An employer can receive a 5% premium discount on Workers Compensation insurance if such a committee is in place. The new **Act 57 of 2021** states that employers must provide information concerning the risks associated with opioid use.

POLITICS

As readers know, 2022 is an election year where PA will select a new U.S. Senator to replace retiring Republican Senator Pat Toomey and new Governor and Lt. Governor to replace Democrats Tom Wolf and John Fetterman whose terms expire. At stake is also the General Assembly where all House seats and one-half of PA Senators are up for election. Republicans now control both House and Senate. An early issue is consideration of new redistricting maps by the General Assembly. This is very important since the new districts will be in effect for ten years and may decide which party controls the legislature. There is an opportunity for those wishing to review proposed districts and comment – provided by Senator Ryan Aument (R-Lancaster):

The Legislative Reapportionment Commission has scheduled public hearings during the first two weeks of January to gather feedback from Pennsylvania citizens regarding the [preliminary plans](#) for state Senate and House of Representatives legislative redistricting. The hearings will be held in the Capitol North Office Building in Harrisburg, Hearing Room 1, and will use Zoom to allow virtual participation. The hearing will also be [livestreamed](#). To speak at a hearing (in person or virtual), the commission requires registration in advance:

- [Register to Speak](#) on Thursday, Jan. 6, 3 – 5 p.m.
- [Register to Speak](#) on Thursday, Jan. 6, 6 – 8 p.m.
- [Register to Speak](#) on Friday, Jan. 7, 9 – 11 a.m.
- [Register to Speak](#) on Friday, Jan. 7, 1 – 3 p.m.

To accommodate as many speakers as possible, the commission limits the remarks of each speaker to five minutes. The submission of written testimony prior to the hearing is requested but not required. Written testimony can be [submitted on the commission's public website portal](#).

LEGISLATORS RUNNING FOR OTHER OFFICES

- U.S. Senate Democratic nomination: Senator Sharif Street (D-Phila.) and Rep. Malcolm Kenyatta (D-Phila.).
- U.S. Representative Democratic nomination: Rep. Summer Lee (D-Allegheny) is seeking to replace retiring Democratic Rep. Mike Doyle.
- Governor Republican nomination: Senate President Pro Tempore Jake Corman (R-Centre).
- Lt. Governor Democratic nomination: Rep. Brian Sims (D-Phila.).
- Lt. Governor Republican nomination: Two former Representatives are seeking this nomination. They are Jeff Coleman who used to represent Armstrong and Indiana Counties and Rick Saccone who used to represent Allegheny and Washington Counties.

LEGISLATIVE RETIREMENTS AFTER 2022

Republican Senator Bob Mensch (R-Montgomery/Berks/Bucks) is retiring after this term as is Senator Corman, mentioned above. House members not seeking re-election are Republicans Michael Peifer (R-Wayne/Pike), Majority Chair of the House Finance Committee, Dave Hickernell (R-Lancaster), Majority Chair of the House Professional Licensure Committee, and Dave Millard (R-Columbia), Majority Chair of the House Tourism & Recreational Development Committee. On the Democratic side, Rep. Brian Sims (D-Phila.) is not running for re-election as he is seeking the nomination for Lt. Governor.

REGULATORY NOTE from the U.S. Department of Labor: On December 30, 2021, the DOL issued Field Assistance Bulletin 2101-03 discussing new Federal rules on fee transparency for persons providing brokerage services and consulting for ERISA group health plans: <https://www.dol.gov/agencies/ebsa/employers-and-advisers/guidance/field-assistance-bulletins/2021-03>.