

## LEG REG REVIEW

### 2025, 3<sup>rd</sup> Issue, February 2, 2025

*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](mailto:xenobun@aol.com).*

**THIS WEEK**, Governor Josh Shapiro will address both the House and Senate on Tuesday February 4 in presenting his vision for the Fiscal Year 2025-26 State Budget which begins on July 1, 2025. It will be carried live on PCN and via the General Assembly: Senate <https://www.pasen.gov/index.cfm>; House <https://www.house.state.pa.us/index.cfm>.

#### **IN THE HOUSE LAST WEEK...**

The PA House was in session Monday, Tuesday, and Wednesday of last week. No votes were taken on any bills although two non-insurance Resolutions were adopted.

#### **INSURANCE AND HEALTH CONVENE JOINT MEETING**

On January 29, the House Insurance and Human Services Committees held a joint informational meeting on traumatic head injury care needs and coverage options. Link:

<https://www.legis.state.pa.us/cfdocs/legis/CMS/ArchiveDetails.cfm?SessYear=2025&MeetingId=4317&Code=22&Chamber=H>.

#### **HOUSE INSURANCE COMMITTEE HOLDS VOTING MEETING**

Three bills were reported out on January 29 :

- **House Bill 111**(Curry-D-Delaware) prohibits insurers from denying coverage to individuals just because they have an opioid reversal agent such as naloxone listed in their prescription profiles.
- **House Bill 211** (Warren-D-Bucks) **and House Bill 261** (Pickett-R-Bradford) seek to update obsolete language found in the Insurance Company Law and the Medical Foods Coverage Act. Terms such as ‘mental retardation’ and ‘physical handicap’ are seen to carry stigmas and would be changed respectively to ‘intellectual disability’ and ‘physical disability’.

Video of the committee meeting:

<https://www.legis.state.pa.us/cfdocs/legis/CMS/ArchiveDetails.cfm?SessYear=2025&MeetingId=4304&Code=22&Chamber=H>.

#### **SENATE BANKING & INSURANCE COMMITTEE TO MEET**

On February 3, the Senate Banking & Insurance Committee will take up a banking bill. **Senate Bill 202** (Gebhard-R-Lebanon) extends the regulatory reach of the PA Money Transmitter Act to virtual currency. As a result, entities managing the transfer of virtual currency would need to meet the same licensure requirements as all other transmitter licensees. The PA Department of Banking & Securities supports SB 202. Last legislative session, the Senate passed a similar bill unanimously.

#### **POLITICS/ELECTIONS**

- Rep. Torren Ecker (R-Adams) is seeking the Republican nomination for the Judge of Adams County Court of Common Pleas. His legislative work on tort reform was credited by the PA Coalition for Civil Justice Reform in its December 10, 2024 newsletter: *“As we look towards a new legislative session, lawmakers must make lawsuit reform a priority. It’s time to rebalance the scales of justice in the Commonwealth by passing Rep. Torren Ecker’s package of reforms to restore order and fairness in our courts.”*

- Other PA Representatives seeking another office include Rep. Dan Miller (D-Allegheny) seeking the Democratic nomination for Judge of the Allegheny Court of Common Pleas and Rep. Josh Siegel (D-Lehigh), who is running for Lehigh County Executive.
- March 25 is the date of non-primary special elections in Lancaster and Allegheny Counties. Lancaster County's winner will fill the remaining term of Senator Ryan Aument (R-Lancaster) who resigned to become State Director for new U.S. Senator Dave McCormick. The other election will be held in Allegheny to fill the remaining term of the late Rep. Matthew Gergeley (D-Allegheny).
- The 2025 primary election will take place on May 20. Deadline to register to vote in the primary is May 5 and the last day to request a mail-in or absentee ballot is May 13. Some counties like Cumberland County have already contacted last year's mail-in voters asking if they wish to do that again in 2025.

## **WORKERS COMPENSATION IMPAIRMENT RULE**

The January 25 PA Bulletin published the Final Rule on Workers Compensation Impairment Ratings. The Final Rule implemented provisions of Act 111 of 2018 regarding WC Impairment Rating Evaluation (IRE). Specifically, the Act responded to a 2016 Commonwealth Court decision that citing a general compliance reference in deciding IRE violated the PA Constitution regarding delegation of powers from the General Assembly. Act 111 met the judicial requirement by making the IRE dependent on a specific edition (6<sup>th</sup> edition, second printing 2009) of the American Medical Association Guides to the Evaluation of Permanent Impairment and reduced the impairment threshold rating from 50% to 35%. **NOTE:** The Court case was *Protz v. Workers Compensation Appeal Board (Derry Area School District District)*, 161A. 3d 827 (Pa.2016). Text of this Final Rule may be found at:

<https://www.pacodeandbulletin.gov/Display/pabull?file=/secure/pabulletin/data/vol55/55-4/126.html>.

## **REGULATORY UPDATES**

- The PA Insurance Department announced per Notice 2025-1 that the Accident Surcharge Dollar Threshold was increased to \$2,250, up from 2023's \$2,100. This increase will take effect July 1, 2025. Each insurer and rating organization should file this change by April 1, 2025. Questions: Shannon Kost at 717-783-4308.
- Coface Re SA applied to PID for an initial designation as a certified reinsurer.

## **SHAPIRO ADMINISTRATION CITES \$180 MILLION-PLUS IN P/C PREMIUM SAVINGS**

On January 30, the PA Insurance Department announced that the Shapiro Administration saved consumers over \$180 million in property/casualty premiums that would have otherwise been charged by insurance companies in 2024. According to the Departments, the rate review process saved P/C insurance consumers:

- \$119.7 million in personal auto premiums
- \$42.9 in homeowner/dwelling fire premiums
- \$5.6 million in personal umbrella premiums
- \$3.0 million in pet insurance premiums
- \$9.1 million in other P/C insurance premiums.

The media release said that PID's rate review process "*reviews the proposed rates to ensure they are justified and not excessive, inadequate, or unfairly discriminatory.*"

## **INDUSTRY EVENTS**

- On March 9-12, the Intercompany Long-Term Insurance Association will hold its Annual Conference in Philadelphia. Details: [info@iltciconf.com](mailto:info@iltciconf.com).
- Insurance Society of Philadelphia (ISOP):
  - March 21 is the deadline for scholarship applications for students in Insurance/Risk Management or Actuarial Science college programs. Details: <https://www.insurancesociety.org/page/ScholarshipForm>.
  - April 22 is the date of the ISOP Scholarship Golf Open at Union League Liberty Hill in Lafayette Hill, PA. Information: <https://insurancesociety.org/page/Contact>.
  - The date for Philly I-Day in 2025 did not appear on the ISOP website as of February 2.