
THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 2416 Session of
2024

INTRODUCED BY BENNINGHOFF, BURGOS, CIRESI, CURRY, DALEY, GILLEN,
JOZWIAK, KULIK, MOUL, OBERLANDER, PICKETT AND PROBST,
JUNE 13, 2024

REFERRED TO COMMITTEE ON TRANSPORTATION, JUNE 13, 2024

AN ACT

1 Amending Title 75 (Vehicles) of the Pennsylvania Consolidated
2 Statutes, in financial responsibility, further providing for
3 required financial responsibility and providing for online
4 verification of financial responsibility.

5 The General Assembly of the Commonwealth of Pennsylvania
6 hereby enacts as follows:

7 Section 1. Section 1786(b), (c), (e)(3) and (g)(1) of Title
8 75 of the Pennsylvania Consolidated Statutes are amended and the
9 section is amended by adding a subsection to read:

10 § 1786. Required financial responsibility.

11 * * *

12 (b) Self-certification.--

13 (1) The Department of Transportation shall require that
14 each motor vehicle registrant certify that the registrant is
15 financially responsible at the time of registration or
16 renewal thereof. The department shall refuse to register or
17 renew the registration of a vehicle for failure to comply
18 with this requirement or falsification of self-certification.

1 (2) The Department of Transportation may verify
2 financial responsibility information self-certified by a
3 motor vehicle registrant through the verification system
4 established under section 1786.1 (relating to online
5 verification of financial responsibility). If the
6 verification system provides no evidence of financial
7 responsibility, the Department of Transportation shall send
8 the owner or registrant a notice providing the owner or
9 registrant an opportunity to provide proof of financial
10 responsibility to the department.

11 (c) Consent to produce proof of financial responsibility.--

12 (1) Upon registering a motor vehicle or renewing a motor
13 vehicle registration, the owner of the motor vehicle shall be
14 deemed to have given consent to produce proof, upon request,
15 to the Department of Transportation or a police officer that
16 the vehicle registrant has the financial responsibility
17 required by this chapter. Proof of financial responsibility
18 may be satisfied under this chapter by production of a
19 financial responsibility identification card in paper or
20 electronic form.

21 (2) If an owner of a motor vehicle [is providing]
22 provides electronic proof of financial responsibility to a
23 police officer, the police officer shall only view content
24 that is reasonably necessary to demonstrate proof of
25 financial responsibility.

26 (3) The owner of the electronic device assumes liability
27 for any damage to the electronic device containing the
28 financial responsibility identification card while in
29 possession of the police officer or agents of the department.

30 (4) If an individual is unable to provide a financial

1 responsibility identification card, proof of financial
2 responsibility may be satisfied through the verification
3 system established under section 1786.1.

4 * * *

5 (e) Obligations upon lapse, termination or cancellation of
6 financial responsibility.--

7 * * *

8 (3) An insurer who has issued a contract of motor
9 vehicle liability insurance and knows or has reason to
10 believe that the contract is only for the purpose of
11 providing proof of financial responsibility shall notify the
12 department if the insurance has been canceled or terminated
13 by the insured or by the insurer. The insurer shall notify
14 the department not later than ten days following the
15 effective date of the cancellation or termination. This
16 paragraph shall not apply to an insurer that participates in
17 the verification system established under section 1786.1.

18 * * *

19 (g) Defenses.--

20 (1) No person shall be convicted of failing to produce
21 proof of financial responsibility under this subchapter or
22 section 3743 (relating to accidents involving damage to
23 attended vehicle or property) or 6308 (relating to
24 investigation by police officers) if the person produces, at
25 the office of the issuing authority within five days of the
26 date of the violation, proof that he possessed the required
27 financial responsibility at the time of the violation. Proof
28 of required financial responsibility shall include
29 verification of financial responsibility by the issuing
30 authority through the verification system established in

1 section 1786.1.

2 * * *

3 (i) Online verification.--

4 (1) If the Department of Transportation receives a
5 notice of cancellation or termination of financial
6 responsibility for a motor vehicle from an insurer, the
7 Department of Transportation shall verify financial
8 responsibility coverage of the motor vehicle through the
9 verification system established in section 1786.1. If the
10 verification system provides no evidence of financial
11 responsibility, the Department of Transportation shall send
12 the owner or registrant a notice providing the owner or
13 registrant an opportunity to provide proof of financial
14 responsibility to the department.

15 (2) The Department of Transportation may not suspend or
16 revoke registration as a result of receiving a notice from an
17 insurer until the requirements of this subsection have been
18 satisfied.

19 Section 2. Title 75 is amended by adding a section to read:
20 § 1786.1. Online verification of financial responsibility.

21 (a) Establishment of system.--The Department of
22 Transportation shall establish a common-carrier-based system for
23 online verification of financial responsibility as required by
24 this chapter.

25 (b) System requirements.--The verification system
26 established under subsection (a) shall be subject to the
27 following:

28 (1) The verification system shall receive evidence of
29 financial responsibility from insurers through web services
30 established by insurers, the Internet, World Wide Web or a

1 similar online proprietary or common-carrier electronic
2 system.

3 (2) The verification system shall be consistent with
4 rules and regulations promulgated by the department. The
5 rules and regulations promulgated by the department under
6 this section shall conform to specifications and standards
7 established by the Insurance Industry Committee on Motor
8 Vehicle Administration.

9 (3) The verification system shall maintain data in a
10 secure fashion and prevent unauthorized access. The
11 department shall maintain a historical record of the
12 verification system's data for no less than six months and no
13 more than 12 months, as determined by the department, from
14 the date of a request or response.

15 (4) The verification system shall be used for
16 verification of evidence of financial responsibility as
17 required by this chapter and shall only be accessible by the
18 department, law enforcement, courts or other entity
19 authorized by the department and consistent with the laws of
20 this Commonwealth.

21 (5) The verification system shall be capable of
22 interfacing with existing department-owned or Commonwealth-
23 owned electronic systems.

24 (6) The verification system shall enable the department
25 to make an inquiry to an insurer regarding evidence of
26 financial responsibility by using multiple data elements,
27 including, but not limited to, National Association of
28 Insurance Commissioners company codes, vehicle identification
29 numbers and policy numbers.

30 (7) The verification system shall respond to a request

1 for financial responsibility information within a time period
2 established by the department.

3 (8) The department may contract with one or more private
4 third parties to implement this section and shall procure the
5 services in accordance with 62 Pa.C.S. (relating to
6 procurement).

7 (9) The department and any contracted third party shall
8 maintain a contact person for insurers during the
9 establishment, implementation and operation of the
10 verification system.

11 (c) Participation required.--An insurer that issues at least
12 1,000 contracts of motor vehicle liability insurance in this
13 Commonwealth shall:

14 (1) Provide access to insurance policy information to
15 the department or a third party as required by this section
16 and rules and regulations promulgated by the department.

17 (2) Cooperate with the department in establishing and
18 maintaining the verification system established under
19 subsection (a) as required by this section and rules and
20 regulations promulgated by the department.

21 (3) Have the ability to respond to and confirm a request
22 for verification of financial responsibility for at least six
23 months prior to the date of the request for verification of
24 financial responsibility.

25 (d) Liability.--An insurer complying in good faith with this
26 section or rules and regulations promulgated by the department
27 under this section shall be immune from civil and administrative
28 liability for noncompliance with this section.

29 (e) Confidential records.--Information, data or records
30 submitted to or maintained by the verification system

1 established under subsection (a) shall not be subject to access
2 and duplication under the act of February 14, 2008 (P.L.6,
3 No.3), known as the Right-to-Know Law.

4 (f) Report.--No more than two years after the effective date
5 of this section, the department, in consultation with insurers,
6 shall issue a report to the General Assembly. The report shall
7 include the following:

8 (1) Costs incurred by the department and insurers
9 related to the implementation of this section.

10 (2) The effectiveness of the verification system with
11 reducing the number of uninsured motor vehicles.

12 (3) Any other information at the discretion of the
13 department.

14 (g) Construction.--Nothing contained in this section shall
15 be construed to authorize the department to suspend or revoke a
16 registration or suspend the operating privilege of the owner or
17 registrant of a motor vehicle, except as permitted under section
18 1786 (relating to required financial responsibility).

19 (h) Temporary regulations.--In order to facilitate the
20 prompt implementation of this section, regulations promulgated
21 by the department under this section during the two years
22 following the effective date of this section shall be deemed
23 temporary regulations, which shall expire no later than four
24 years following the effective date of this subsection or upon
25 promulgation of final regulations, whichever occurs first. The
26 temporary regulations shall not be subject to:

27 (1) Sections 201, 202, 203, 204 and 205 of the act of
28 July 31, 1968 (P.L.769, No.240), referred to as the
29 Commonwealth Documents Law.

30 (2) Section 204(b) of the act of October 15, 1980

1 (P.L.950, No.164), known as the Commonwealth Attorneys Act.

2 (3) The act of June 25, 1982 (P.L.633, No.181), known as
3 the Regulatory Review Act.

4 Section 3. This act shall take effect as follows:

5 (1) The addition of 75 Pa.C.S. § 1786.1(a), (b) (8) and
6 (h) of the act shall take effect immediately.

7 (2) This section shall take effect immediately.

8 (3) The remainder of this act shall take effect in one
9 year.