
THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 2922 Session of
2022

INTRODUCED BY GUENST, SANCHEZ, MADDEN, T. DAVIS, DELLOSO,
SAPPEY, D. WILLIAMS, HOWARD AND CIRESI, NOVEMBER 15, 2022

REFERRED TO COMMITTEE ON INSURANCE, NOVEMBER 15, 2022

AN ACT

1 Providing for requirements for insurers relating to property
2 insurance claims in response to damages that arise from a
3 natural disaster.

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

6 Section 1. Short title.

7 This act shall be known and may be cited as the Fair
8 Assistance Insurance Responsibility (FAIR) Act.

9 Section 2. Definitions.

10 The following words and phrases when used in this act shall
11 have the meanings given to them in this section unless the
12 context clearly indicates otherwise:

13 "Federal disaster assistance programs." An assistance
14 program made available under section 408 of The Robert T.
15 Stafford Disaster Relief and Emergency Assistance Act (Public
16 Law 93-288, 88 Stat. 143).

17 "Insurer." An entity licensed or authorized to conduct the
18 business of insurance that is governed under the act of May 17,

1 1921 (P.L.682, No.284), known as The Insurance Company Law of
2 1921.

3 "Natural disaster." Any of the following:

4 (1) A natural catastrophe, regardless of cause, fire,
5 flood or explosion, in any part of the United States, which,
6 in the determination of the President of the United States,
7 causes damage of sufficient severity and magnitude to warrant
8 assistance under The Robert T. Stafford Disaster Relief and
9 Emergency Assistance Act to supplement the efforts and
10 available resources of State governments, local governments
11 and disaster relief organizations in alleviating the damage,
12 loss, hardship or suffering.

13 (2) A hurricane, tornado, storm, flood, high water,
14 wind-driven water, tidal wave, earthquake, landslide,
15 mudslide, snowstorm, drought, fire, explosion or other
16 catastrophe which results in substantial damage to property,
17 hardship, suffering or possible loss of life and results in
18 the Governor requesting that the President of the United
19 States declare either a major disaster declaration or
20 emergency declaration as warranted under The Robert T.
21 Stafford Disaster Relief and Emergency Assistance Act.

22 Section 3. Disaster assistance.

23 (a) Notification.--When a policyholder files a property
24 insurance claim in response to damages that arise from a natural
25 disaster, within three days of receipt of the claim, the insurer
26 must notify the policyholder in writing of all Federal disaster
27 assistance programs available. The notice must also include a
28 description of the complaint process for unsatisfactory service
29 with an insurer provided by the Insurance Department.

30 (b) Investigation.--When a policyholder files a property

1 insurance claim in response to damages that arise from a natural
2 disaster, the insurer must complete the investigation of the
3 claim within 90 days after notification of the claim. The
4 insurer may not seek an extension of the investigation as
5 provided under 31 Pa. Code § 146.7 (relating to standards for
6 prompt, fair and equitable settlements applicable to insurers).
7 The insurer shall identify the claim as a catastrophic claim.
8 The policyholder, upon receipt of the insurer's settlement of
9 claim, shall have a 90-day window to negotiate and offer a
10 counterclaim to the insurer based upon the proof of loss and
11 investigation made by the insurer and additional information
12 provided by the policyholder. The insurer shall either accept or
13 reject the policyholder's counterclaim.

14 Section 4. Applicability.

15 This act shall apply to all claims filed on or after the
16 effective date of this section.

17 Section 5. Effective date.

18 This act shall take effect in 60 days.