

---

THE GENERAL ASSEMBLY OF PENNSYLVANIA

---

SENATE BILL

No. 901 Session of  
2023

---

INTRODUCED BY GEBHARD, ROTHMAN, DiSANTO AND PHILLIPS-HILL,  
SEPTEMBER 7, 2023

---

REFERRED TO BANKING AND INSURANCE, SEPTEMBER 7, 2023

---

AN ACT

1 Amending Title 75 (Vehicles) of the Pennsylvania Consolidated  
2 Statutes, in financial responsibility, further providing for  
3 availability, scope and amount of coverage, repealing  
4 provisions relating to request for lower limits of coverage,  
5 providing for offer of lower limits of coverage, repealing  
6 provisions relating to coverages in excess of required  
7 amounts and to stacking of uninsured and underinsured  
8 benefits and option to waive, providing for stacking of  
9 uninsured and underinsured benefits prohibited and further  
10 providing for notice of available benefits and limits and for  
11 availability of uninsured, underinsured, bodily injury  
12 liability and property damage coverages and mandatory  
13 deductibles.

14 The General Assembly of the Commonwealth of Pennsylvania  
15 hereby enacts as follows:

16 Section 1. Section 1731(a) of Title 75 of the Pennsylvania  
17 Consolidated Statutes is amended to read:

18 § 1731. Availability, scope and amount of coverage.

19 (a) Mandatory offering.--No motor vehicle liability  
20 insurance policy shall be delivered or issued for delivery in  
21 this Commonwealth, with respect to any motor vehicle registered  
22 or principally garaged in this Commonwealth, unless uninsured  
23 motorist and underinsured motorist coverages are offered therein

1 or supplemental thereto in amounts as provided in section [1734  
2 (relating to request for lower limits of coverage). Purchase]  
3 1734.1 (relating to offer of lower limits of coverage). The  
4 election of uninsured motorist and underinsured motorist  
5 coverages is optional.

6 \* \* \*

7 Section 2. Section 1734 of Title 75 is repealed:

8 [§ 1734. Request for lower limits of coverage.

9 A named insured may request in writing the issuance of  
10 coverages under section 1731 (relating to availability, scope  
11 and amount of coverage) in amounts equal to or less than the  
12 limits of liability for bodily injury.]

13 Section 3. Title 75 is amended by adding a section to read:

14 § 1734.1. Offer of lower limits of coverage.

15 (a) Stacking prohibited.--An insurer may not stack uninsured  
16 and underinsured motorist coverage in a motor vehicle liability  
17 insurance policy delivered or issued for delivery in this  
18 Commonwealth to determine the limit of the coverage available to  
19 an insured for injuries sustained in an accident.

20 (b) New policies.--

21 (1) On an initial application, an insurer that issues to  
22 a named insured a motor vehicle liability insurance policy  
23 delivered or issued for delivery in this Commonwealth shall  
24 offer uninsured and underinsured motorist coverage in an  
25 amount equal to the bodily injury liability limits elected. A  
26 named insured may select amounts of uninsured and  
27 underinsured motorist coverage lower than the bodily injury  
28 liability limits elected. An insurer may make available  
29 amounts of uninsured and underinsured motorist coverage  
30 higher than the bodily injury liability limits elected.

1       (2) On an initial application, a named insured shall be  
2 conclusively presumed to have elected uninsured and  
3 underinsured motorist coverage equivalent to that elected by  
4 a named insured for bodily injury unless the uninsured and  
5 underinsured motorist coverage was rejected on the policy in  
6 accordance with section 1731 (relating to availability, scope  
7 and amount of coverage) or elected in a different amount by a  
8 named insured.

9       (c) Renewed policies.--

10       (1) Unless another amount is selected in writing by a  
11 named insured or otherwise provided in accordance with this  
12 chapter, for a policy renewing on or after 180 days from the  
13 effective date of this paragraph an insurer shall renew the  
14 policy to include equivalent amounts of uninsured and  
15 underinsured motorist coverage, if any, as elected by the  
16 named insured in the policy being superseded.

17       (2) Subject to paragraph (1), a rejection or reduction  
18 of uninsured and underinsured benefits on a policy by a named  
19 insured before the effective date of this paragraph shall  
20 remain valid.

21       (3) For the purposes of paragraph (1), equivalent  
22 amounts of uninsured and underinsured motorist coverage shall  
23 not include coverage limits under more than one policy.

24       (d) Elections.--An election made or deemed to be made on  
25 initial application or at a renewal shall remain in effect  
26 throughout the lifetime of the policy until affirmatively  
27 changed by the named insured.

28       (e) Notice of coverage.--

29       (1) No later than the initial issuance or initial  
30 renewal of a motor vehicle liability insurance policy, in the

1 first year 180 days after the effective date of this  
2 paragraph, an insurer shall provide in writing to the named  
3 insured under the policy the following notice with respect to  
4 the election of uninsured and underinsured motorist coverage:

5 Uninsured and underinsured motorist coverage is  
6 available to provide compensation for injuries caused  
7 by persons who either have no automobile insurance or  
8 do not have enough automobile insurance to compensate  
9 you and your family for your injuries. This coverage  
10 is important to provide protection for you.

11 Previously, you were able to purchase stacking of  
12 uninsured and underinsured motorist coverage.

13 Stacking increases your uninsured and underinsured  
14 motorist coverage by adding the limits of this  
15 coverage for each vehicle for which the injured  
16 person is an insured.

17 While stacking has been eliminated by law, you  
18 still have the right to elect uninsured and  
19 underinsured motorist coverage for motor vehicle  
20 liability insurance policies delivered or issued for  
21 delivery in this Commonwealth as a named insured in  
22 an amount equal to the amount of your bodily injury  
23 liability coverage limits. Insurers may, but are not  
24 required to, make available amounts of uninsured and  
25 underinsured motorist coverage higher than the bodily  
26 injury liability limits elected.

27 You also retain the right to elect uninsured and  
28 underinsured motorist coverage less than the amount  
29 of your liability coverage or to reject such  
30 coverage.

1           Your insurer shall renew all policies delivered  
2           or issued for delivery in this Commonwealth to  
3           include equivalent amounts of uninsured and  
4           underinsured motorist coverage, if any, as elected  
5           under the policy being superseded unless you respond  
6           to this notice and affirmatively elect a different  
7           amount of uninsured and underinsured motorist  
8           coverage to be issued at your next renewal.

9           (2) An insurer shall certify to the Insurance Department  
10          that the insurer has complied with the notice requirement  
11          under paragraph (1). An insurer's failure to certify  
12          compliance with the notice requirement shall be subject to  
13          the commissioner's review and enforcement under the act of  
14          July 22, 1974 (P.L.589, No.205), known as the Unfair  
15          Insurance Practices Act.

16          Section 4. Sections 1736 and 1738 of Title 75 are repealed:

17          [§ 1736. Coverages in excess of required amounts.

18           The coverages provided under this subchapter may be offered  
19          by insurers in amounts higher than those required by this  
20          chapter but may not be greater than the limits of liability  
21          specified in the bodily injury liability provisions of the  
22          insured's policy.

23          § 1738. Stacking of uninsured and underinsured benefits and  
24                  option to waive.

25           (a) Limit for each vehicle.--When more than one vehicle is  
26          insured under one or more policies providing uninsured or  
27          underinsured motorist coverage, the stated limit for uninsured  
28          or underinsured coverage shall apply separately to each vehicle  
29          so insured. The limits of coverages available under this  
30          subchapter for an insured shall be the sum of the limits for

1 each motor vehicle as to which the injured person is an insured.

2 (b) Waiver.--Notwithstanding the provisions of subsection  
3 (a), a named insured may waive coverage providing stacking of  
4 uninsured or underinsured coverages in which case the limits of  
5 coverage available under the policy for an insured shall be the  
6 stated limits for the motor vehicle as to which the injured  
7 person is an insured.

8 (c) More than one vehicle.--Each named insured purchasing  
9 uninsured or underinsured motorist coverage for more than one  
10 vehicle under a policy shall be provided the opportunity to  
11 waive the stacked limits of coverage and instead purchase  
12 coverage as described in subsection (b). The premiums for an  
13 insured who exercises such waiver shall be reduced to reflect  
14 the different cost of such coverage.

15 (d) Forms.--

16 (1) The named insured shall be informed that he may  
17 exercise the waiver of the stacked limits of uninsured  
18 motorist coverage by signing the following written rejection  
19 form:

20 UNINSURED COVERAGE LIMITS

21 By signing this waiver, I am rejecting stacked limits  
22 of uninsured motorist coverage under the policy for  
23 myself and members of my household under which the limits  
24 of coverage available would be the sum of limits for each  
25 motor vehicle insured under the policy. Instead, the  
26 limits of coverage that I am purchasing shall be reduced  
27 to the limits stated in the policy. I knowingly and  
28 voluntarily reject the stacked limits of coverage. I  
29 understand that my premiums will be reduced if I reject  
30 this coverage.

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28  
29  
30

.....  
Signature of First Named Insured  
.....

Date

(2) The named insured shall be informed that he may exercise the waiver of the stacked limits of underinsured motorist coverage by signing the following written rejection form:

UNDERINSURED COVERAGE LIMITS

By signing this waiver, I am rejecting stacked limits of underinsured motorist coverage under the policy for myself and members of my household under which the limits of coverage available would be the sum of limits for each motor vehicle insured under the policy. Instead, the limits of coverage that I am purchasing shall be reduced to the limits stated in the policy. I knowingly and voluntarily reject the stacked limits of coverage. I understand that my premiums will be reduced if I reject this coverage.

.....  
Signature of First Named Insured  
.....

Date

(e) Signature and date.--The forms described in subsection (d) must be signed by the first named insured and dated to be valid. Any rejection form that does not comply with this section is void.]

Section 5. Title 75 is amended by adding a section to read:  
§ 1738.1. Stacking of uninsured and underinsured benefits prohibited.

1 (a) Prohibition.--The limit of liability for uninsured and  
2 underinsured motorist coverage applicable to two or more motor  
3 vehicles covered under one or more policies delivered or issued  
4 for delivery in this Commonwealth shall not be added together to  
5 determine the limit of the coverage available to an insured for  
6 injuries sustained in an accident.

7 (b) Insureds in noncovered vehicles.--If an insured is  
8 injured as an occupant of a motor vehicle not covered by the  
9 policy under which the person is a named insured or, if residing  
10 in the household of the named insured, a spouse or other  
11 relative of the named insured, the insured may recover the  
12 following, unless the coverage is otherwise excluded:

13 (1) Benefits in accordance with section 1733(a)(1)  
14 (relating to priority of recovery). For the purposes of this  
15 subsection, the maximum recovery of uninsured or underinsured  
16 motorist coverage available from a policy under section  
17 1733(a)(1) shall be the lesser of the policy's bodily injury  
18 or uninsured or underinsured motorist coverage limit.  
19 Recovery shall not be available under this paragraph from a  
20 policy under section 1733(a)(1) unless that policy maintains  
21 uninsured and underinsured motorist coverage.

22 (2) Benefits in accordance with section 1733(a)(2) if  
23 the maximum total recovery under all policies providing  
24 benefits in accordance with section 1733(a)(2) is the  
25 single-highest limit under any one policy for which the  
26 person is an insured.

27 (c) Insureds in covered vehicles.--If an insured is injured  
28 as an occupant of a motor vehicle covered by the policy under  
29 which the person is a named insured or, if residing in the  
30 household of the named insured, a spouse or other relative of



1 the named insured, unless the coverage is otherwise excluded,  
2 the insured may recover only the uninsured or underinsured  
3 motorist coverage afforded by the policy covering the vehicle  
4 occupied by the insured at the time of the accident.

5 (d) Pedestrians.--If an insured is injured as a pedestrian,  
6 the maximum total recovery under all policies providing benefits  
7 in accordance with section 1733(a)(2) shall be the single-  
8 highest limit under any one policy for which the person is an  
9 insured.

10 Section 6. Sections 1791 and 1792 heading and (a) of Title  
11 75 are amended to read:

12 § 1791. Notice of available benefits and limits.

13 **[It]** Except as otherwise provided by the laws of this  
14 Commonwealth, it shall be presumed that the insured has been  
15 advised of the benefits and limits available under this chapter  
16 provided the following notice in bold print of at least ten-  
17 point type is given to the applicant at the time of application  
18 for original coverage, and no other notice, offer or rejection  
19 shall be required:

20 IMPORTANT NOTICE

21 Insurance companies operating in the Commonwealth of  
22 Pennsylvania are required by law to make available for  
23 purchase the following benefits for you, your spouse or  
24 other relatives or minors in your custody or in the  
25 custody of your relatives, residing in your household,  
26 occupants of your motor vehicle or persons struck by your  
27 motor vehicle:

28 (1) Medical benefits, up to at least \$100,000.

29 (1.1) Extraordinary medical benefits, from \$100,000  
30 to \$1,100,000 which may be offered in increments of

1 \$100,000.

2 (2) Income loss benefits, up to at least \$2,500 per  
3 month up to a maximum benefit of at least \$50,000.

4 (3) Accidental death benefits, up to at least  
5 \$25,000.

6 (4) Funeral benefits, \$2,500.

7 (5) As an alternative to paragraphs (1), (2), (3)  
8 and (4), a combination benefit, up to at least \$177,500  
9 of benefits in the aggregate or benefits payable up to  
10 three years from the date of the accident, whichever  
11 occurs first, subject to a limit on accidental death  
12 benefit of up to \$25,000 and a limit on funeral benefit  
13 of \$2,500, provided that nothing contained in this  
14 subsection shall be construed to limit, reduce, modify or  
15 change the provisions of section 1715(d) (relating to  
16 availability of adequate limits).

17 (6) [Uninsured, underinsured and bodily] Bodily  
18 injury liability coverage up to at least \$100,000 because  
19 of injury to one person in any one accident and up to at  
20 least \$300,000 because of injury to two or more persons  
21 in any one accident or, at the option of the insurer, up  
22 to at least \$300,000 in a single limit for these  
23 coverages, except for policies issued under the Assigned  
24 Risk Plan. Also, at least \$5,000 for damage to property  
25 of others in any one accident.

26 [Additionally, insurers] (7) Uninsured and underinsured  
27 motorist coverage under motor vehicle liability insurance  
28 policies delivered or issued for delivery in this  
29 Commonwealth to a named insured in an amount equal  
30 to your bodily injury liability coverage limits, except

1 for policies issued under the Assigned Risk Plan. A named  
2 insured may select amounts of uninsured and underinsured  
3 motorist coverage lower than the bodily injury liability  
4 limits elected. Insurers may, but are not required to,  
5 make available amounts of uninsured and underinsured  
6 motorist coverage higher than the bodily injury liability  
7 limits elected.

8 (8) Insurers may offer higher benefit levels than  
9 those enumerated above as well as additional benefits.  
10 However, an insured may elect to purchase lower benefit  
11 levels than those enumerated above.

12 Your signature on this notice or your payment of any  
13 [renewal] policy premium evidences your actual knowledge  
14 and understanding of the availability of these benefits  
15 and limits as well as the benefits and limits you have  
16 selected.

17 If you have any questions or you do not understand all of  
18 the various options available to you, contact your agent  
19 or company.

20 If you do not understand any of the provisions contained  
21 in this notice, contact your agent or company before you  
22 sign.

23 § 1792. Availability of uninsured, underinsured, bodily injury  
24 liability and property damage coverages and  
25 [mandatory] deductibles.

26 (a) Availability of coverages and deductibles.--

27 (1) Except for policies issued under Subchapter D  
28 (relating to Assigned Risk Plan), [an] the following shall  
29 apply:

30 (i) An insurer delivering or issuing for delivery a

1 policy of bodily injury liability coverage pursuant to  
2 this chapter shall make available for purchase [higher]  
3 limits of [uninsured, underinsured and] bodily injury  
4 liability coverages up to at least \$100,000 because of  
5 injury to one person in any one accident and up to at  
6 least \$300,000 because of injury to two or more persons  
7 in any one accident or, at the option of the insurer, up  
8 to at least \$300,000 in a single limit for these  
9 coverages.

10 (ii) An insurer delivering or issuing for delivery a  
11 policy of uninsured and underinsured coverage pursuant to  
12 this chapter shall make available for purchase limits of  
13 uninsured and underinsured motorist coverage to named  
14 insurer equal to the amount of the named insured's bodily  
15 injury liability coverage limits. A named insured may  
16 select amounts of uninsured and underinsured motorist  
17 coverage lower than the bodily injury liability limits  
18 elected. An insurer may make available amounts of  
19 uninsured and underinsured motorist coverage higher than  
20 the bodily injury liability limits elected.

21 (2) Additionally, an insurer shall make available for  
22 purchase at least \$5,000 because of damage to property of  
23 others in any one accident. However, the exclusion of  
24 availability relating to the Assigned Risk Plan shall not  
25 apply to damage to property of others in any one accident.

26 \* \* \*

27 Section 7. A change in coverage of a motor vehicle liability  
28 insurance policy delivered or issued for delivery or renewed in  
29 this Commonwealth resulting from the amendment or addition of 75  
30 Pa.C.S. §§ 1731(a) and 1734.1 shall not impact the validity of

1 any waiver, rejection, selection of benefits or amount of  
2 benefits in the policy beyond the coverage amounts as a result  
3 of the amendment or addition of 75 Pa.C.S. §§ 1731(a) and 1734.1  
4 or require that new forms be signed by the named insured in the  
5 policy.

6 Section 8. The amendment or addition of 75 Pa.C.S. §§  
7 1731(a), 1734.1, 1738.1, 1791 and 1792(a) shall apply to a  
8 motor vehicle liability insurance policy delivered or issued for  
9 delivery or renewed in this Commonwealth on or after 180 days  
10 from the effective date of this section. Nothing in the  
11 amendment or addition of 75 Pa.C.S. §§ 1731(a), 1734.1, 1738.1,  
12 1791 and 1792(a) shall be construed to alter the election of  
13 tort options in a motor vehicle liability insurance policy  
14 delivered or issued for delivery or renewed in this Commonwealth  
15 on or after one year from the effective date of this section.

16 Section 9. This act shall take effect in 180 days.