THE GENERAL ASSEMBLY OF PENNSYLVANIA

SENATE BILL

No. 1356 Session of 2014

INTRODUCED BY CORMAN, EICHELBERGER, GORDNER, STACK, SOLOBAY, BRUBAKER, SCHWANK, ALLOWAY AND WHITE, APRIL 30, 2014

REFERRED TO BANKING AND INSURANCE, APRIL 30, 2014

AN ACT

Amending the act of July 22, 1974 (P.L.589, No.205), entitled "An act relating to unfair insurance practices; prohibiting 2 unfair methods of competition and unfair or deceptive acts 3 and practices; and prescribing remedies and penalties," 4 further providing for definitions. 5 6 The General Assembly of the Commonwealth of Pennsylvania 7 hereby enacts as follows: Section 1. The definition of "renewal" or "to renew" in 8 section 3 of the act of July 22, 1974 (P.L.589, No.205), known as the Unfair Insurance Practices Act, is amended and the 10 11 section is amended by adding a definition to read: 12 Section 3. Definitions. -- As used in this act: 13 "Affiliated insurer." An insurer that is an affiliate as defined in section 1401 of the act of May 17, 1921 (P.L.682, 14 15 No.284), known as "The Insurance Company Law of 1921." * * * 16 "Renewal" or "to renew" means the issuance and delivery by an 17 insurer of a policy superseding at the end of the policy period 18

a policy previously issued and delivered by the same insurer or

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- 1 <u>affiliated insurer</u>, such renewal policy to provide types and
- 2 limits of coverage at least equal to those contained in the
- 3 policy being superseded, or the issuance and delivery of a
- 4 certificate or notice extending the term of a policy beyond its
- 5 policy period or term with types and limits of coverage at least
- 6 equal to those contained in the policy being extended: Provided,
- 7 however, That any policy with a policy period or term of less
- 8 than twelve months or any period with no fixed expiration date
- 9 shall for the purpose of this act be considered as if written
- 10 for successive policy periods or terms of twelve months.
- 11 * * *
- 12 Section 2. This act shall take effect in 60 days.