

LEG REG REVIEW

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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.

DEMOCRATS AGAIN SUSTAIN A ONE-VOTE MAJORITY

Results of the September 19 special election in Allegheny County resulted in a Democratic win for Lindsay Powell over Republican Erin Connolly Autenreith, 7,318 (65.5%) to 3,848 (34.5%). This brings the House of Representatives to 102 Democrats versus 101 Republicans. This seat was held by former Rep. Sara Innamorato (D-Allegheny) who resigned to concentrate on her quest for the position of Allegheny County Executive.

SENATE ACTIONS

- On September 19, the Senate voted 46-0 to pass **Senate Bill 815** (Baker-R-Luzerne/Pike/Susquehanna/Wayne/Wyoming). This would allow irrevocable trusts to pay PA income tax on the trust's income and frees the beneficiary of having to do so. According to the sponsorship memo, PA is the only state that currently does not give that authority to an irrevocable trust.
- On September 20, the Senate voted 47-0 for **House Bill 1171** (Hill-Evans-D-York). This legislation would increase the maximum distance between master control emergency shut-off devices and the furthest fuel pumps from 200 to 350 feet at a retail service station. **NOTE:** This will allow convenience store/gas operations and possibly prompt changes in their insurance coverage.
- The Senate calendar for when it returns to Harrisburg October 2 does not show any bills affecting the Insurance Industry on third consideration (ready to be voted on) There are two bills on second consideration. This means that a bill must be considered on one more session day before a vote can be taken.
 - **Senate Bill 739** (Vogel-R-Beaver) establishes a regulatory framework for Telemedicine that includes a requirement that health insurers pay those claims. **NOTE:** Remote health care is growing significantly and is particularly important to rural Pennsylvanians given health care provider shortages and distance to health care facilities.
 - **Senate Bill 365** (Bartolotta-R-Beaver/Greene/Washington) expands Workers Compensation coverage to post-traumatic stress injury for first responders. First responders are defined as EMS providers, active volunteers, employees or members of a fire company, PA State Police officers and a "peace officer." A post-traumatic stress injury must be filed within three years "based on assessment and diagnosis by a licensed medical professional or a licensed mental health professional whose scope of practice includes evaluation, assessment and diagnostic specified by the scope of practice (under PA laws and regulations.)"

SENATE COMMITTEE WORK

Neither the Senate Banking & Insurance Committee nor the Senate Labor & Industry Committee (Workers Compensation legislation) have scheduled meetings.

On September 19, the Senate Communications Technology Committee amended and passed **Senate Bill 824** (Pennycuick-R-Bucks) by a 11-0 vote. The bill requires the reporting of a privacy breach affecting more than 500 state residents to the Office of Attorney General and requires free credit monitoring for 12 months when the breach includes the affected person's name and an identifying number such as Social Security, driver's license, bank account number, or state ID number.

NOTE: Insurance licensees should note that SB 824 does not conflict with **Act 2 of 2023 (House Bill 739, the PA Insurance Data Security Act)**. It does add additional notification requirements.

To refresh, Act 2 of 2023, Section 4518. Notification of Cybersecurity Event, says: *“A licensee shall notify the commissioner as promptly as possible, but no later than five business days, from a determination that a cybersecurity event involving nonpublic information has occurred for a Pennsylvania-domiciled licensee if the event has a reasonable likelihood of materially harming a consumer residing in the Commonwealth (and) (2) The licensee reasonably believes that the nonpublic information involves 250 or more consumers residing in this Commonwealth and the cybersecurity event.”*

HOUSE CALENDER

The PA House reconvenes on September 26. There are no bills under third consideration (ready to be voted upon) but there is one bill on second consideration that could have a potential bearing on the Insurance Industry. Second consideration means that a bill needs one more session day of consideration before a vote can be taken. **House Bill 540** (McNeill-D-Northampton) would allow a person who lost his or her driving privilege because of medical inability may get out of an auto lease early without paying early termination fees or penalties.

INSURANCE COMMITTEE TO MEET re PET INSURANCE

On October 3, the House Insurance Committee plans to convene a hearing on **House Bill 660** (Schlossberg-D-Lehigh). This legislation purports to establish a regulatory framework for regulating pet insurance in PA. According to the prime sponsor, pet insurance consumers are adversely impacted by hidden fees, coverage confusion, and unknown waiting periods or exclusions.

One question that will likely be discussed is whether or not the PA Insurance Department already has the authority and responsibility to regulate pet insurance. According to PID, *“The Pennsylvania Insurance Department approves and regulates pet insurance policies, rates and rules in the Commonwealth.”* Source: <https://www.insurance.pa.gov/Coverage/PetInsurance/Documents/PetInsurance-OnePager-Final.pdf>. , ‘What You Should Know About Pet Insurance’.

HOUSE COMMITTEE AGENDAS

- The House Veterans Affairs & Emergency Preparedness Committee is considering two Resolutions on September 26. **House Resolution 215** (Marcell-R-Bucks) declares October 8-14 to be ‘Fire Prevention Week’. **House Resolution 178** (Kinsey-D-Phila.) designates September 2023 as ‘Emergency Preparedness Month’.
- On October 3, the House Professional Licensure Committee is set to consider **House Bill 1490** (Gallagher-D-Phila.) to modernize PA’s acupuncture law. Currently, the bill does not contain any insurance provisions since the 1986 Acupuncture Act already requires \$1,000,000 of professional liability insurance.
- On October 4, the House Health Subcommittee on Health Facilities will hold a hearing on hospital consolidations and closures.

DOL EXTENDS MH PARITY COMMENT PERIOD; SEEKS ERISA ADVISORS

In September, the U.S. Department of Labor issued the following:

Proposed Rules on Requirements Related to the Mental Health Parity and Addiction Equity Act: Extension of Comment Period, available at <https://www.dol.gov/sites/dolgov/files/EBSA/employers-and-advisers/guidance/technical-releases/requirements-related-to-the-mhpaea-extension-of-comment-period.pdf>

The Employee Benefits Security Administration is [seeking nominations to fill five 3-year vacancies on the ERISA Advisory Council](#). Submit nominations by Oct. 23.