

## **LEG REG REVIEW**

### **2024, 3rd Issue January 22, 2024**

*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](mailto:xenobun@aol.com).*

#### **GENERAL ASSEMBLY UPDATE**

The PA House and Senate will reconvene February 6 to hear the Governor's State Budget proposal— but not in the House Chamber because of leaking roof repairs. The next session day for the House is March 18, a month after the Bucks County February 13 special election to fill former Rep. John Galloway's seat. This election is important since Democrats need to retain that seat to have a one-person majority. This district is Democratic with over 50% of voters calling themselves Democrat. In addition, the GOP nominee's Bucks County background is limited versus her opponent who is a school board member. Given that a Republican Representative is in Africa for military service, the GOP will have one fewer vote for several months.

The Senate is listed as being in session on February 5,6, and 7. There is some speculation that given House absence, they may wait till March 18. The House Insurance Committee and Senate Banking & Insurance Committee have no scheduled meetings.

#### **SENATE CALENDAR**

- There are no insurance bills on third consideration (potentially ready for final passage).
- Second consideration bills are:
  - **Senate Bill 365** (Bartolotta-R-Beaver/Greene/Washington) expands Workers Compensation coverage to first-responders with post-traumatic stress injuries.
  - **Senate Bill 577** (Kane-D-Chester/Delaware) strengthens penalties for employee misclassification as independent contractors in the construction industry. The Senate will have to decide whether to go with SB 577 or its counterpart, HB 1751 although the Kane bill will receive preference.

#### **INSURANCE DEPARTMENT SEEKS TO IMPROVE LICENSING**

On January 18, the PA Insurance Department issued policies that are intended to expedite the listening process and waive certain fees. This is part of PID's response to Governor Shapiro's January 31, 2023, Executive Order 2023-07 requiring that agencies increase efficiency and approval of Commonwealth-issued licenses.

Specifically, fees will not be charged for:

- Name and/or address changes for individual licensees
- Name and/or address change for business entities
- Add or remove fictitious names or doing business as (DBA)
- Letters of clearance or voluntary surrender requests
- Add or delete a designated licensee or Surplus Lines affiliation
- Add or remove a storage unit location (where limited property insurance is sold)

In addition, the Department said that the turn-around time for license application review has been reduced from an average of 20 days to less than eight days. This improvement was due to procedure changes such as receiving background checks electronically, etc.

**REGULATORY NOTE:** The PA Insurance Department issued the Eligible Surplus Lines Insurer List in the January 20 [PA Bulletin](#).

Link:<https://www.pacodeandbulletin.gov/Display/pabull?file=/secure/pabulletin/data/vol54/54-3/89.html>.

## **L&I WILL CONSIDER PA CONSTRUCTION CODE DIFFERENCES FROM INT'L CODE**

Meetings of the Uniform Construction Code Review and Advisory Council will take place via Zoom on February 1, February 29, and March 28, 2024. Questions: Kristen Gardner at 717-346-1497.

**NOTE:** This Council was established years after Pennsylvania passed legislation stating that PA would adhere to the International Construction Code. Problems occurred pre-Council when it became apparent that the PA statute had to obey the international standard. A case in point was the across-the-board mandate for compulsory fire suppression systems taking effect automatically without review or state approval. Thanks to lobbying by the Insurance Industry and the builders, that unanticipated consequence requirement was rescinded and this Labor & Industry Department Advisory Council was created to decide whether or not changes in the International Construction Code should apply to PA.

## **VENUE CHANGE AND INCREASE IN PHILA. MED MAL LAWSUITS**

The PA Coalition for Civil Justice Reform took aim at the PA Supreme Court's 2023 reversal of a previous rule requiring that medical malpractice lawsuits must be tried in the county in which the alleged malpractice occurred. According to the tort reform group, the result is a return to 'venue-shopping' where an attorney would take a case to a court regarded as more sympathetic to plaintiffs. It cited 544 medical malpractices filed in Philadelphia in 2023 compared with 275 filed the preceding year. In addition, the Coalition for Civil Justice Reform said that 197 of 2023's Philadelphia's 544 cases had causes of action outside of Phila. and so, demonstrated an increase in cases going to plaintiff-friendly courts because of the venue rule removal.

## **NABIP SETS CAPITOL CONFERENCE DATE**

On January 19, Eric Kohlsdorf, President of the National Association of Benefit Insurance Professionals (NABIP) announced that the 2024 Capitol Conference will be held in Washington, DC February 25-28, 2024. Some of the issues that may be discussed by NABIP (formerly known as NAHU) members with Members of Congress and their staff could include compensation changes for Medicare agents, expansion of Telehealth laws, more transparency for pharmacy benefit managers (PBMs), etc. Details: [www.nabip.org/capitol-conference](http://www.nabip.org/capitol-conference).

## **COMING UP**

- **The PA Long-Term Care Council** will meet on February 8. Details: Jessica Pierce at [jesspierce@pa.gov](mailto:jesspierce@pa.gov) or 717-805-0741. **NOTE:** As of this writing, the empty Long-Term Care Insurance broker seat on the LTC Council has not been filled.
- The PA Association of Insurance Mutual Companies' **PAMIC 2024 Annual Spring Conference** will take place March 18-19 at the Hotel Hershey. Details: <https://pamic.info/event-5553767>.
- Independent Insurance Agents & Brokers of America **Big I Legislative Conference** April 10-12 in Washington, DC. Details: 800-221-7917 or <https://www.independentagent.com/events/legislativeconference/home.aspx>.
- The 2024 **PA Insurance Fraud Conference** sponsored by the PA Insurance Fraud Authority (IFPA) will take place in Hershey on April 11-12. Details will be forthcoming from <https://helpstopfraud.org/about-ifpa/insurance-fraud-conference/>.
- The **Mid-Atlantic Telehealth Resource Center Summit** is being held in PA April 14-16 at the Kalahari Inn in the Poconos. Details: <https://www.matrc.org/summits-intro/>.
- May 8-9 are the dates of the **PA Surplus Lines Association 2024 Annual Meeting** to be held at the Hotel Hershey. Details: More information will be forthcoming from [www.pasla.org](http://www.pasla.org).
- **NAIFA's 2024 Congressional Conference** will take place May 20-21 in Washington, DC. Details: <https://conference.naifa.org/2024>.
- **Philly I-Day** will take place in Philadelphia on May 21 with registration beginning January 30. Details: [www.insurancesociety.org/page/phillyiday\\_2024](http://www.insurancesociety.org/page/phillyiday_2024).