

# Regulatory Analysis Form

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INDEPENDENT REGULATORY  
REVIEW COMMISSION

(1) Agency

Insurance Department

(2) I.D. Number (Governor's Office Use)

11-234

IRRC Number:

2597

(3) Short Title

Preparation and Filing of Forms for Approval (Fire and Casualty)

(4) PA Code Cite

31 Pa. Code, Chapter 133, §§133.1-133.12

(5) Agency Contacts & Telephone Numbers

Primary Contact: Peter J. Salvatore, Regulatory Coordinator,  
1326 Strawberry Square, Harrisburg, PA 17120, (717) 787-4429

(6) Type of Rulemaking (check one)

- ☐ Proposed Rulemaking  
☒ Final Order Adopting Regulation  
☐ Final Order, Proposed Rulemaking Omitted

(7) Is a 120-Day Emergency Certification Attached?

- ☒ No  
☐ Yes: By the Attorney General  
☐ Yes: By the Governor

(8) Briefly explain the regulation in clear and nontechnical language.

The regulation prescribed the submission requirements for fire and casualty forms filed for automobile, glass, general liability, homeowners, package and the like, and fire lines of insurance. Chapter 89b, relating to the Approval for Life Insurance, Accident and Health Insurance and Property and Casualty Insurance Filing and Form, was adopted November 22, 2002, effective November 23, 2002, PaB.5747; renumbered December 13, 2002 effective December 14, 2002, 32Pa.B 6128 revised the regulation for property and casualty insurers filing provisions and preparation of forms. The standards were incorporated into Chapter 89b and therefore, the regulation as outlined in 31 Pa. Code, Chapter 133 is outdated and are no longer needed.

(9) State the statutory authority for the regulation and any relevant state or federal court decisions.

This rulemaking is proposed under the authority of sections 206, 506, 1501 and 1502 of The Administrative Code of 1929 (71 P.S. §§ 66, 186, 422 and 412) and section 354 of The Insurance Company Law of 1921 (40 P.S. § 477b).

### Regulatory Analysis Form

(10) Is the regulation mandated by any federal or state law or court order, or federal regulation? If yes, cite the specific law, case or regulation, and any deadlines for action.

No.

(11) Explain the compelling public interest that justifies the regulation. What is the problem it addresses?

It is in the public's interest to delete redundant and confusing regulatory requirements.

(12) State the public health, safety, environmental or general welfare risks associated with nonregulation.

There are no public health, safety, environment or general welfare risks associated with this rulemaking.

(13) Describe who will benefit from the regulation. (Quantify the benefits as completely as possible and approximate the number of people who will benefit.)

Insurers will benefit as the deletion of Chapter 133 eliminates confusing requirements and redundancies found in chapter 89.

### Regulatory Analysis Form

(14) Describe who will be adversely affected by the regulation. (Quantify the adverse effects as completely as possible and approximate the number of people who will be adversely affected.)

There will be no adverse effects on any party as a result of the repeal of this regulation.

(15) List the persons, groups or entities that will be required to comply with the regulation. (Approximate the number of people who will be required to comply.)

The regulation applies to all insurers licensed to do business in the Commonwealth.

(16) Describe the communications with and input from the public in the development and drafting of the regulation. List the persons and/or groups who were involved, if applicable.

This regulation was shared with the Insurance Federation of Pennsylvania, Inc. and the Pennsylvania Association of Mutual Insurers. These organizations had no objection to the deletion of this regulation. At a meeting of the IRRC, this was Approved By Law and no outside comments were submitted.

(17) Provide a specific estimate of the costs and/or savings to the regulated community associated with compliance, including any legal, accounting or consulting procedures, which may be required.

The repeal of the regulation will not have any impact on costs associated with insurance companies.

## Regulatory Analysis Form

(18) Provide a specific estimate of the costs and/or savings to local governments associated with compliance, including any legal, accounting or consulting procedures, which may be required.

There are no costs or savings to local governments associated with this rulemaking.

(19) Provide a specific estimate of the costs and/or savings to state government associated with the implementation of the regulation, including any legal, accounting, or consulting procedures, which may be required.

There are no costs or savings associated to state government associated with this rulemaking.

## Regulatory Analysis Form

(20) In the table below, provide an estimate of the fiscal savings and costs associated with implementation and compliance for the regulated community, local government, and state government for the current year and five subsequent years. N/A

	Current FY Year	FY +1 Year	FY +2 Year	FY +3 Year	FY +4 Year	FY +5 Year
<b>SAVINGS:</b>	\$	\$	\$	\$	\$	\$
Regulated Community						
Local Government						
State Government						
<b>Total Savings</b>						
<b>COSTS:</b>						
Regulated Community						
Local Government						
State Government						
<b>Total Costs</b>						
<b>REVENUE LOSSES:</b>						
Regulated Community						
Local Government						
State Government						
<b>Total Revenue Losses</b>						

(20a) Explain how the cost estimates listed above were derived.

N/A.

## Regulatory Analysis Form

(20b) Provide the past three-year expenditure history for programs affected by the regulation.  
N/A.

Program	FY -3	FY -2	FY -1	Current FY

(21) Using the cost-benefit information provided above, explain how the benefits of the regulation outweigh the adverse effects and costs.

No costs or adverse effects are anticipated as a result of this regulation.

(22) Describe the nonregulatory alternatives considered and the costs associated with those alternatives. Provide the reasons for their dismissal.

Repealing Chapter 133, §§1-12 is the most efficient method to achieve consistency with the authorizing statute. No other alternatives were considered.

(23) Describe alternative regulatory schemes considered and the costs associated with those schemes. Provide the reasons for their dismissal.

No other regulatory schemes were considered. The repeal of the regulation is the most efficient method of updating the regulatory requirements.

## Regulatory Analysis Form

(24) Are there any provisions that are more stringent than federal standards? If yes, identify the specific provisions and the compelling Pennsylvania interest that demands stronger regulation.

No.

(25) How does this regulation compare with those of other states? Will the regulation put Pennsylvania at a competitive disadvantage with other states?

The rulemaking will not put Pennsylvania at a competitive disadvantage with other states. It merely provides for consistency with the statute.

(26) Will the regulation affect existing or proposed regulations of the promulgating agency or other state agencies? If yes, explain and provide specific citations.

No.

(27) Will any public hearings or informational meetings be scheduled? Please provide the dates, times, and locations, if available.

No public hearings or informational meetings are anticipated.

## Regulatory Analysis Form

(28) Will the regulation change existing reporting, record keeping, or other paperwork requirements? Describe the changes and attach copies of forms or reports, which will be required as a result of implementation, if available.

The repeal of the regulation imposes no additional paperwork requirements on the Department, insurers, or the general public.

(29) Please list any special provisions which have been developed to meet the particular needs of affected groups or persons including, but not limited to, minorities, elderly, small businesses, and farmers.

The rulemaking will have no effect on special needs of affected parties.

(30) What is the anticipated effective date of the regulation; the date by which compliance with the regulation will be required; and the date by which any required permits, licenses or other approvals must be obtained?

The rulemaking underwent a 30-day public comment period and review by the Independent Regulatory Review Commission. The regulation will become effective upon final approval by the legislative standing committees, the Office of the Attorney General, and the Independent Regulatory Review Commission and upon final publication in the *Pennsylvania Bulletin*.

(31) Provide the schedule for continual review of the regulation.

As this is a repeal no further review of the regulation has been scheduled.

CDL-1

FACE SHEET  
FOR FILING DOCUMENTS  
WITH THE LEGISLATIVE REFERENCE  
BUREAU

(Pursuant to Commonwealth Documents Law)

2597

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INDEPENDENT REGULATORY  
REVIEW COMMISSION

DO NOT WRITE IN THIS SPACE

Copy below is hereby approved as to  
form and legality. Attorney General

By \_\_\_\_\_  
(Deputy Attorney General)

\_\_\_\_\_  
Date of Approval

→ Check if applicable.  
Copy not approved. Objections  
attached.

Copy below is hereby certified to be a true and correct  
copy of a document issued, prescribed or promulgated  
by:

Insurance Department

\_\_\_\_\_  
(AGENCY)

DOCUMENT/FISCAL NOTE NO. 11-234

DATE OF ADOPTION: \_\_\_\_\_

BY: \_\_\_\_\_

Joel Ario  
Acting Insurance Commissioner

TITLE: \_\_\_\_\_  
(EXECUTIVE OFFICER, CHAIRMAN OR  
SECRETARY)

Copy below is hereby approved as to form and  
legality. Executive or Independent Agencies

BY: \_\_\_\_\_

Andrew C. Clark

MAY 21 2008

\_\_\_\_\_  
DATE OF APPROVAL

(DEPUTY GENERAL COUNSEL)  
(~~CHIEF COUNSEL, INDEPENDENT AGENCY~~)  
(~~STRIKE INAPPLICABLE TITLE~~)

→ Check if applicable. No Attorney General  
approval or objection within 30 days after  
submission.

NOTICE OF FINAL RULEMAKING

INSURANCE DEPARTMENT

31 Pa. Code, Chapter 133, §§133.1-133.12

**Preparation and Filing of Forms for Approval  
(Fire and Casualty)**

## PREAMBLE

The Insurance Department (Department) hereby adopts Chapter 133 of Title 31 in the Pennsylvania Code, Preparation and Filing of Forms for Approval (Fire and Casualty), as set forth in Annex A.

This rulemaking is proposed under the authority of sections 206, 506, 1501 and 1502 of The Administrative Code of 1929 (71 P.S. §§ 66, 186, 422 and 412) and section 354 of The Insurance Company Law of 1921 (40 P.S. § 477b).  
Statutory Authority

### ***Comments and Response***

Notice of proposed rulemaking was published at 37 Pa.B. 1229 (March 17, 2007) with a 30-day comment period. During the 30-day comment period, no comments were received. During its regulatory review, the Independent Regulatory Review Commission (IRRC) did not submit comments to the Department.

### ***Affected Parties***

The deletion of the regulation affects property and casualty insurers, the State Workmen's Insurance Fund and title insurers.

### ***Fiscal Impact***

#### *State Government*

There will be no increase in cost to the Department due to the adoption of the Chapter 133.

#### *General Public*

There will be no fiscal impact to the public.

#### *Political Subdivisions*

The rulemaking will not impose additional costs on political subdivisions.

#### *Private Sector*

The rulemaking will not impose additional costs of insurance companies doing the business of property and casualty insurance in the Commonwealth.

*Paperwork*

The adoption of the rulemaking will not impose additional paperwork on the Department or the insurance industry.

*Effectiveness/Sunset Date*

This rulemaking becomes effective upon publication in the Pennsylvania Bulletin. No sunset date has been assigned.

*Contact person*

Any questions regarding this regulation, should be directed to Peter J. Salvatore, Regulatory Coordinator, Office of Special Projects, 1326 Strawberry Square, Harrisburg, PA 17120, phone (717) 787-4429. In addition, questions may be e-mailed to [psalvatore@state.pa.us](mailto:psalvatore@state.pa.us) or faxed to (717) 705-3873.

*Regulatory review*

Under section 5(a) of the Regulatory Review Act, (71 P.S. §745.5(a)), the agency submitted a copy of this regulation, on March 2, 2007, to the Independent Regulatory Review Commission and to the Chairmen of the House Insurance Committee and the Senate Banking and Insurance Committee. In addition to the submitted regulation, the agency has provided the Commission and the Committees with a copy of a detailed Regulatory Analysis Form prepared by the agency in compliance with Executive Order 1996-1, "Regulatory Review and Promulgation." A copy of that material is available to the public upon request.

In preparing this final form regulation, the Department considered all comments received from IRRC, the Committees and the public. This final form regulation was (deemed) approved by the House and Senate Committees on \_\_\_\_\_. In accordance with section 5a(d) of the Regulatory Review Act (71 P.S. §745.5a(d)), IRRC met on \_\_\_\_\_ and (deemed) approved the regulation in accordance with section 5a(e) of the Regulatory Review Act (71 P.S. §745.5a(e)).

### ***Findings***

The Commissioner finds that:

- (1) Public notice of intention to adopt this rulemaking as amended by this order has been given under sections 201 and 202 of the act of July 31, 1968 (P.L. 769, No240) (45 P.S. §§1201 and 1202) and the regulations thereunder, 1 Pa. Code §§7.1 and 7.2.
- (2) The adoption of this rulemaking in the manner provided in this order is necessary and appropriate for the administration and enforcement of the authorizing statutes.

### ***Order***

The Commissioner, acting under the authorizing statutes, orders that:

- (a) The regulations of the Department, 31 Pa. Code, are amended by adopting §§133.1.-133.12, to read as set forth in Annex A.
- (b) The Commissioner shall submit this order and Annex A to the Office of General Counsel and Office of Attorney General for approval as to form and legality as required by law.
- (c) The Commissioner shall certify this order and Annex A and deposit them with the Legislative Reference Bureau as required by law.
- (d) The regulation adopted by this order shall take effect upon final publication in the *Pennsylvania Bulletin*.

Joel Ario  
Insurance Commissioner

CONTINUATION SHEET FOR FILING DOCUMENTS  
WITH THE LEGISLATIVE REFERENCE BUREAU  
Pursuant to Commonwealth Documents Law

Annex A

TITLE 31. INSURANCE. PART VIII. MISCELLANEOUS PROVISIONS.  
CHAPTER 133. PREPARATION AND FILING OF FORMS FOR APPROVAL (FIRE  
AND CASUALTY).

Sec.

133.1	[General.] <b>Reserved.</b>
133.2	[Number of copies.] <b>Reserved.</b>
133.3	[New and replacement forms.] <b>Reserved.</b>
133.4	[Submissions.] <b>Reserved.</b>
133.5	[Printing.] <b>Reserved.</b>
133.6	[Space for countersignature.] <b>Reserved.</b>
133.7	[Misleading titles.] <b>Reserved.</b>
133.8	[Excluded coverage.] <b>Reserved.</b>
133.9	[Assessable policy.] <b>Reserved.</b>
133.10	[Endorsements.] <b>Reserved.</b>
133.11	[Licensed rating organizations.] <b>Reserved.</b>
133.12	[Accidental death benefit.] <b>Reserved.</b>

**§ 133.1. [General.**

(a) Forms proposed to be issued in this Commonwealth shall be submitted for filing or approval, unless specifically excepted under section 354 of The Insurance Company Law of 1921 (40 P. S. § 477b).

(b) Forms shall be submitted separately for each line of insurance, that is, automobile, glass, general liability, homeowners, fire, package and the like, on behalf of each filing company.

(c) Submissions are to be directed to the Director, Bureau of Regulation of Rates and Policies, Commonwealth of Pennsylvania, Insurance Department, Harrisburg, Pennsylvania 17120.] **Reserved.**

**§ 133.2. [Number of copies.**

Two copies of each form and filing letter shall be submitted by each filing company. One copy of each form will be retained by the Bureau of Regulation of Rates and Policies and one copy, if approved, will be returned with the approval stamp of the Insurance Department affixed to the filing company as proof of filing and approval.] **Reserved.**

### **§ 133.3. [New and replacement forms.**

(a) Each new form shall be accompanied by a brief description setting forth its use and purpose.

(b) In the case of any form intended to replace a prior approved form, the company shall advise the Insurance Department of the form number and approval date of the form to be replaced, and the material differences between the two forms.] **Reserved.**

### **§ 133.4. [Submissions.**

(a) Submissions shall be made by the home office of the company, association or exchange and not by local representatives, companies, associations or other agencies, unless other specific written authority has been granted by the Insurance Department. Related correspondence will be directed to the home office of the filing company, association or exchange.

(b) Each form shall recite the full corporate title or legal name of the filing company, association or exchange and shall provide the home office address. If administrative offices are maintained elsewhere, this address may also be recited. The name of the company, association or exchange may be affixed on an endorsement by the use of a rubber stamp.

(c) Each form shall be identified by an individual form number of the filing company. There may be no duplication of form numbers in the same company for the same line of insurance. Words or abbreviations may be used as part of the form number.

(d) Submissions involving two or more forms shall be accompanied by duplicate lists identifying the forms by title and form number.

(e) Each policy submission shall include a declaration sheet, endorsement, certificate, application or related form. If amending pages are used, they will be considered as an endorsement to the form submitted and shall be properly executed as such. An unattached policy page or insert, unless properly drawn as an endorsement, will not be accepted for filing. If an application is to become part of a policy, it shall be filed with the policy form and filled in hypothetically.

(f) If necessary to indicate the use and purpose of a form, it shall be filled in hypothetically.] **Reserved.**

### **§ 133.5. [Printing.**

(a) A form will not be accepted for filing if modified by typewritten, pen, pencil or ink insertions or deletions. Changes in forms shall be made only by printing, multigraphing or rubber stamp endorsement properly executed by an authorized representative of the company. Approval of forms will be given only after submission in final form for issuance to the insured.

(b) Printer's proofs of a form may be submitted for tentative approval before it is printed for submission in final form. If other than printer's proofs are submitted, the copies shall be clearly legible.] **Reserved.**

**§ 133.6. [Space for countersignature.**

Forms requiring the countersignature of an authorized resident agent shall provide space for the countersignature.] **Reserved.**

**§ 133.7. [Misleading titles.**

(a) The use of misleading titles or descriptions which are intended to give the impression that there are no coverage exceptions, exclusions or limitations of benefits in a policy are prohibited. A policy may afford risk coverage subject to specifically recited exclusions or limitations, but may not be entitled or described as “all risk.”

(b) A policy or form bearing the caption or reference that the policy or form is a “Pennsylvania” or “standard” policy or form will not be accepted for filing, unless authorized by statute.] **Reserved.**

**§ 133.8. [Excluded coverage.**

Policies or other forms containing a coverage or reference to a coverage which may not be written in this Commonwealth by the insurer shall specifically exclude the coverage on the face of the form by imprinting or by rubber stamp.] **Reserved.**

**§ 133.9. [Assessable policy.**

Each assessable policy shall have the words “This is an assessable policy” printed prominently on the backer of the policy panel, as well as on the face of the policy, in letters not less than 16-point in size.] **Reserved.**

**§ 133.10. [Endorsements.**

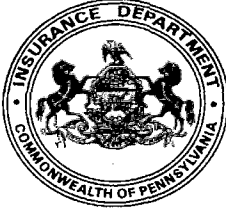
Open face, blank or computer endorsements are permitted and will be approved conditionally subject to the requirement that if the endorsements, when issued, affect the coverage they shall be resubmitted as complete forms identified by individual form numbers.] **Reserved.**

**§ 133.11. [Licensed rating organizations.**

Filings made by licensed rating organizations on behalf of their members and subscriber companies and approved by the Insurance Department may be used by the members and subscriber companies without separately filing the same for approval. A company which makes changes in or additions to the approved rating organization forms shall file the forms in accordance with the provisions of this chapter.] **Reserved.**

**§ 133.12. [Accidental death benefit.**

A provision for accidental death benefit may not contain a requirement that death occurs within a specific time period.] **Reserved.**



**COMMONWEALTH OF PENNSYLVANIA  
INSURANCE DEPARTMENT**

**SPECIAL PROJECTS OFFICE**  
1326 Strawberry Square  
Harrisburg, PA 17120

Phone: (717) 787-4429  
Fax: (717) 772-1969  
E-mail: [psalvatore@state.pa.us](mailto:psalvatore@state.pa.us)

July 18, 2008

Mr. Kim Kaufman  
Executive Director  
Independent Regulatory Review Comm.  
333 Market Street  
Harrisburg, PA 17101

Re: Insurance Department Final Form Regulation No. 11-234, Preparation and Filing of  
Forms for Approval (Fire and Casualty)

Dear Mr. Kaufman:

Pursuant to Section 5a(c) of the Regulatory Review Act, enclosed for your review and approval is final form regulation 31 Pa. Code, Chapter 133, Preparation and Filing of Forms for Approval (Fire and Casualty).

Chapter 89b revised the regulation for property and casualty insurers filing provisions and preparation of forms. The regulation prescribed the submission requirements for fire and casualty forms filed for automobile, glass, general liability, homeowners, package and the like, and fire lines of insurance. The standards were incorporated into Chapter 89b and, therefore, the regulation as outlined in 31 Pa. Code, Chapter 133 is outdated and no longer needed.

If you have any questions regarding this matter, please contact me at (717) 787-4429.

Sincerely yours,

A handwritten signature in cursive script that reads "Peter J. Salvatore".

Peter J. Salvatore  
Regulatory Coordinator

**TRANSMITTAL SHEET FOR REGULATIONS SUBJECT TO THE  
REGULATORY REVIEW ACT**

I.D. NUMBER: 11-234

SUBJECT: PREPARATION AND FILING OF FORMS FOR APPROVAL (FIRE  
AND CASUALTY)

AGENCY: DEPARTMENT OF INSURANCE

**TYPE OF REGULATION**

- Proposed Regulation
- X Final Regulation
- Final Regulation with Notice of Proposed Rulemaking Omitted
- 120-day Emergency Certification of the Attorney General
- 120-day Emergency Certification of the Governor
- Delivery of Tolled Regulation
- a. With Revisions      b. Without Revisions

INDEPENDENT REGULATORY  
REVIEW COMMISSION

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**FILING OF REGULATION**

DATE	SIGNATURE	DESIGNATION
7-18-08	<i>Linda Klutts</i>	HOUSE COMMITTEE ON INSURANCE
07/18/08	<i>Lisa Kubeika</i>	MAJORITY CHAIRMAN <u>Rep. DeLuca</u>
7/19/08	<i>Lantane Calis</i>	SENATE COMMITTEE ON BANKING & INSURANCE
7/08/08	<i>M. Powers</i>	MAJORITY CHAIRMAN <u>SEN. DONALD C. WHITE</u>
7-18-08	<i>Fiona C. Wilmarth</i>	INDEPENDENT REGULATORY REVIEW COMMISSION

\_\_\_\_\_  
ATTORNEY GENERAL (for Final Omitted only)

\_\_\_\_\_  
LEGISLATIVE REFERENCE BUREAU (for Proposed only)

May 22, 2008