

State Corporation Commission
2003 Fiscal Impact Statement

1. Bill Number HB2333

House of Origin	<input checked="" type="checkbox"/> Introduced	<input type="checkbox"/> Substitute	<input type="checkbox"/> Engrossed
Second House	<input type="checkbox"/> In Committee	<input type="checkbox"/> Substitute	<input type="checkbox"/> Enrolled

2. Patron Miles

3. Committee Commerce and Labor

4. Title Insurance; unfair settlement practices; replacement and repair.

5. Summary/Purpose: Prohibits insurers or their representatives from recommending a designated motor vehicle repair or replacement facility unless (i) the insurer or its representative advises the insured or claimant that they are under no obligation to use the facility recommended by the insurer or its representative and (ii) the insurer or its representative discloses whether or not it, or its representative, has a financial interest in the facility. The bill states that the use of a facility chosen by the insurer, its representative, the insured, or the claimant in no way alters either the insurer's liability under the policy or the insured's or claimant's obligations under the policy or under the law. The bill also states that a designated repair or replacement facility includes a shop in the insurer's network or on the insurer's preferred vendor list. The provisions of the bill will apply to motor vehicle insurance policies issued or renewed on or after July 1, 2003.

6. No Fiscal Impact on state agencies

7. Budget amendment necessary : No

8. Fiscal implications : None

9. Specific agency or political subdivisions affected : State Corporation Commission Bureau of Insurance

10. Technical amendment necessary : On Line 28, after the phrase "manufacturer chosen by the" strike "insured" and insert "insurer."

11. Other comments: None

Date: 01/20/03/V.Tompkins

cc: Secretary of Commerce and Trade