

## State Corporation Commission 2004 Fiscal Impact Statement

**1. Bill Number** HB1007

**House of Origin**    ☒ Introduced    ☐ Substitute    ☐ Engrossed

**Second House**    ☐ In Committee    ☐ Substitute    ☐ Enrolled

**2. Patron**        Rust

**3. Committee**    Commerce and Labor

**4. Title**            Homeowners insurance; exclusions for attractive nuisances and dangerous or

**5. Summary/Purpose:** Allows insurers to exclude certain exposures from a policy written to insure an owner-occupied dwelling as long as the insured agrees in writing: Any portion of the risk that the insurer classifies as an inherently hazardous object or condition of the property may be excluded. Vicious or dangerous animals that have bitten, attacked, or inflicted injury on a person or companion animal may be excluded. Insurers must file with the Bureau of Insurance uniform policy forms that will be used by the insurer to exclude coverage. The insurer must make available to the Bureau the documentation that substantiates the reason for the exclusion as well as the signed exclusion. The bill also prohibits insurers from refusing to issue or refusing to renew a policy written to insure an owner-occupied dwelling, or from excluding coverage from such policy, solely on the basis of a dog's breed. Insurers may refuse to issue or refuse to renew the policy if the insured's dog has bitten, attacked, or inflicted injury on a person or companion animal.

**6.** No fiscal impact on state agencies

**7. Budget amendment necessary:** No

**8. Fiscal implications:** None on state agencies

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

**10. Technical amendment necessary:** None

**11. Other comments:** HB 1007 will allow insurers to maintain policies that they may not have otherwise written or renewed due to the presence of vicious dog or a dilapidated outbuilding. The Bureau of Insurance believes, however, that some insurers may be reluctant to request such exclusions without a provision in the Code of Virginia specifically permitting such exclusions.

**Date:** 01/26/04 / V. Tompkins

cc: Secretary of Commerce and Trade