

**State Corporation Commission
2004 Fiscal Impact Statement**

1. Bill Number HB609

House of Origin ☐ Introduced ☒ Substitute ☐ Engrossed

Second House ☐ In Committee ☐ Substitute ☐ Enrolled

2. Patron Gear

3. Committee Passed Senate; on House Calendar

4. Title Homeowners insurance; flood coverage; notices outlining flood coverage.

5. Summary/Purpose: Requires the flood exclusion notice advise policyholders that (i) flood coverage is excluded from homeowners policies; (ii) information regarding flood insurance is available from the insurer, agent or the National Flood Insurance Program, and (iii) contents coverage may be available with the flood policy for an additional premium. The flood exclusion notice shall apply to contracts or policies of fire insurance, and contracts and policies of fire insurance in combination with other insurance coverages, delivered, issued for delivery, reissued, extended or renewed in this Commonwealth on and after October 1, 2004.

6. No Fiscal Impact on the State Corporation Commission

7. Budget amendment necessary: No

8. Fiscal implications: None on the State Corporation Commission

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

10. Technical amendment necessary: No

11. Other comments: The amendment in the nature of a substitute to House Bill 609 excluded language in the original version of the bill that would have required written acknowledgement by insured policyholders (at the suggestion of the Bureau of Insurance). The bill makes policyholders more aware of what coverages are available under a flood policy and the importance and need for flood insurance.

Date: 03/05/04 / V. Tompkins

cc: Secretary of Commerce and Trade