

## State Corporation Commission 2004 Fiscal Impact Statement

**1. Bill Number** HB898

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

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

**2. Patron**        Wardrup

**3. House**        Passed Both Houses

**4. Title**        Homeowners insurance deductibles.

**5. Summary/Purpose:** Requires an insurer to provide a written notice whenever it unilaterally changes the deductible on a policy written to insure an owner-occupied dwelling. The notice must state that the deductible has changed and explain how the new deductible will be applied. The law prohibits the insurer from changing the deductible except at renewal, and the law only applies to policies renewed on or after October 1, 2004.

**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:** No

**11. Other comments:** House Bill 898 will require companies to provide examples of how the deductible works, which will provide the consumer with more information and education regarding deductibles.

**Date:** 03/24/04 / V. Tompkins

cc: Secretary of Commerce and Trade