

## State Corporation Commission 2007 Fiscal Impact Statement

**1. Bill Number** HB3016

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

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

**2. Patron:**    Hargrove

**3. Committee:** Commerce and Labor

**4. Title:**    Insurance agents; license termination.

**5. Summary/Purpose:** Repeals Section B of § 38.2-1825 to no longer require the automatic termination of an insurance agent's license if the agent has failed to have at least one active appointment to represent an insurer for a period of 183 days from the date the agent's license was issued.

**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:** This bill was introduced at the request of the State Corporation Commission Bureau of Insurance. The subsection B requirement was enacted when Virginia had no continuing education (CE) law for insurance agents. Once the CE law was enacted, the license of any agent who did not comply with CE requirements was automatically terminated for failure to comply with CE. If an agent wants to comply with CE, the agent should be able to keep his license whether or not the agent has any active appointments with insurers, and the repeal of subsection B would make that possible.

**Date:** 01/21/07 / V. Tompkins

cc: Secretary of Commerce and Trade