

State Corporation Commission 2008 Fiscal Impact Statement

1. Bill Number: HB116

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

2. Patron: Ware, R.L.

3. Committee: Passed both Houses

4. Title: Foreign title insurance companies; unearned premium reserves.

5. Summary/Purpose: Allows foreign title insurance companies licensed and doing business in Virginia to establish and maintain unearned premium reserves in accordance with the reserving requirements of their state of domicile.

6. Fiscal Impact Estimates: 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 provisions of House Bill 116 would allow for a quicker release of statutory premium reserves than would have been permitted under existing law. The State Corporation Commission Bureau of Insurance worked with interested parties to ensure that Virginia policyholders would be provided with the same or similar protections currently available to them under existing law. A foreign title insurance company's domiciliary regulator must be accredited under the NAIC (National Association of Insurance Commissioners) Financial Standards and Accreditation Program. Also, the foreign or alien title insurer is required to record an additional reserve if the actuarially determined reserves exceed all statutory reserves, including unearned premium reserves.

Date: 02/27/08 / V. Tompkins
cc: Secretary of Commerce and Trade