

State Corporation Commission 2008 Fiscal Impact Statement

1. Bill Number: HB636

House of Origin	<u>X</u>	Introduced	<u> </u>	Substitute	<u> </u>	Engrossed
Second House	<u> </u>	In Committee	<u> </u>	Substitute	<u> </u>	Enrolled

2. Patron: May

3. Committee: Commerce and Labor

4. Title: Electronic delivery of insurance notices.

5. Summary/Purpose: Electronic delivery of insurance notices. Permits insurers and their policyholders to agree to communicate electronically. A new section § 38.2-230.1 has been added to the Code of Virginia, and §§ 38.2-231, 38.2-2113, 38.2-2114, 38.2-2208, and 38.2-2212 of the Code pertaining to termination notice requirements have been changed to allow notices to be sent electronically as long as the insurer and the policyholder mutually agree to this manner of communication.

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 and its Bureau of Insurance

10. Technical amendment necessary: See Item 11.

11. Other comments: Interested parties, including representatives of the American Insurance Association (AIA) and staff of the Bureau of Insurance, are working with the patron of House Bill 636 on an amendment in the nature of a substitute to House Bill 636. The bill is currently in subcommittee 1 of the House Commerce and Labor Committee.

Date: 01/23/08 / V. Tompkins

cc: Secretary of Commerce and Trade
Secretary of Health and Human Resources