

State Corporation Commission 2010 Fiscal Impact Statement

1. Bill Number: SB 465

House of Origin ☐ Introduced ☐ Substitute ☒ Engrossed
Second House ☒ In Committee ☐ Substitute ☐ Enrolled

2. Patron: Howell

3. Committee: Commerce and Labor

4. Title: Group life insurance coverage.

5. Summary: Revises the language in existing § 38.2-3323 to extend coverage under a group life insurance policy, except coverage pursuant to §38.2-3318.1 B, to any other person in whom the group member has an insurable interest in accordance with §§ 38.2-301 and 38.2-302 as may mutually be agreed upon by the insurer and the group policyholder.

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: Senate Bill 465 revises language in the current section to extend coverage under a group life insurance policy, except coverage pursuant to §38.2-3318.1 B, to any other person in whom the group member has an insurable interest in accordance with §§ 38.2-301 and 38.2-302 as may mutually be agreed upon by the insurer and the group policyholder. Currently, language already includes the spouse and any child which is under the age of 19 or who is a dependent and a full-time student under the age of 25, or any class of spouses and dependent children, of each insured group member who so elects. The language of SB 465 adds the requirement that the amount of insurance on the life of the other person shall not exceed the amount of insurance for which the group member is eligible, making it consistent with current language. In addition to the current provisions required in § 38.2-3331, SB 465 would require that one certificate may be issued for each insured group member if a statement concerning any spouse's, dependent child's, or other person's coverage is included in the certificate.

Senate Bill 465 is identical to House Bill 352.

Date: 02/23/10 V. Tompkins

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