

## State Corporation Commission 2012 Fiscal Impact Statement

**1. Bill Number:** SB369

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

**2. Patron:** Reeves

**3. Committee:** Passed Both Houses

**4. Title:** Fire insurance; earthquake coverage notice.

**5. Summary:** Fire insurance; earthquake coverage notice. Requires insurers issuing new or renewal policies of fire insurance or fire insurance in combination with other insurance coverages, which exclude coverage for damage caused by earthquake, to provide a written notice that explicitly states that (i) earthquake coverage is excluded unless purchased by endorsement and (ii) if such coverage is otherwise available from the insurer, states that information regarding earthquake insurance is available from the insurer or insurance agent. The legislation applies to policies issued or renewed on or after January 1, 2013.

**6. Budget amendment necessary:** No

**7.** No Fiscal Impact on the State Corporation Commission. Final.

**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 notice contemplated by Senate Bill 369 may encourage some consumers to purchase earthquake coverage. The legislation applies to policies issued or renewed on or after January 1, 2013. Also see House Bill 523.

Date: 3/1/12 V.Tompkins

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