

Department of Planning and Budget 2013 Fiscal Impact Statement

1. Bill Number: HB1554

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

2. Patron: Loupassi

3. Committee: Courts of Justice

4. Title: Division of Risk Management; risk management plans; insurance coverage for sheriffs.

5. Summary: Requires the risk management plans established by the Division of Risk Management for constitutional officers and other political subdivisions to provide liability coverage sufficient to pay as compensation for a single claim an amount not to exceed \$1.5 million. The bill also states that the personal assets of a sheriff against whom there is a verdict or civil judgment in relation to the performance of his official duties in excess of \$1.5 million shall not be levied upon, used, or garnished in order to satisfy such verdict or judgment. If a jury returns an award in excess of \$1.5 million, the judge shall reduce the award and enter judgment for such damages in the amount of \$1.5 million.

6. Budget Amendment Necessary: No. See item 8, below.

7. Fiscal Impact Estimates are indeterminate. See item 8, below.

8. Fiscal Implications: It is anticipated that the proposed legislation will have fiscal impact on two plans administered by the Department of the Treasury's Division of Risk Management – the Constitutional Office and Regional Jail Plan and the Local Government Plan (VaRISK and VaRISK 2). However, the fiscal impact is indeterminate. Under the provisions of the bill, the maximum amount payable per claim would increase from \$1.0 million to \$1.5 million. Depending upon the number of claimants awarded a larger sum as a result of the increased cap, it may be necessary for the Division of Risk Management to increase the amount of the premiums paid by plan participants. Premiums are paid by participating local governments and non-profit entities.

9. Specific Agency or Political Subdivisions Affected: localities, local and regional jails, Department of the Treasury's Division of Risk Management.

10. Technical Amendment Necessary: No.

11. Other Comments: None.

Date: 2/17/13

Document: G:/tmw/2013 Session/Legislation/HB1554S1.docx