

State Corporation Commission

2020 Fiscal Impact Statement

1. Bill Number: HB819

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

2. Patron: Simon

3. Committee: Passed House

4. Title: Real estate settlements; kickbacks and other payments; remedies; penalties.

5. Summary: Relocates within Title 55.1 the existing provision that prohibits persons from paying or receiving a kickback, rebate, commission, thing of value, or other payment pursuant to an agreement to refer business incident to a settlement from Chapter 9 (Real Estate Settlements) to Chapter 10 (Real Estate Settlement Agents). This relocation authorizes the State Corporation Commission to impose penalties, issue injunctions, and require restitution in cases where a person who does not hold a license from the appropriate licensing authority has violated the provision. The measure also adds to Chapter 10 of Title 55.1 provisions that (i) authorize a court to assess civil penalties of not more than \$5,000 per violation of the chapter and (ii) authorize the recovery of costs and reasonable expenses and attorney fees.

6. Budget Amendment Necessary: No

7. Fiscal Impact Estimates: No fiscal impact on the State Corporation Commission

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 engrossed version of House Bill 819 strikes subsection D in § 55.1-1009.1, which made a knowing and willful violation of the section a Class 3 misdemeanor.

Date: 2/10/20/V. Tompkins