

Department of Planning and Budget

2023 Fiscal Impact Statement

1. Bill Number: SB1540

House of Origin ☐ Introduced ☐ Substitute ☐ Engrossed

Second House ☐ In Committee ☐ Substitute ☒ Enrolled

2. Patron: Pillion

3. Committee: Passed both Houses

4. Title: Consumer protection; automatic renewal or continuous service offer to consumer; exemptions.

5. Summary: Exempts extended service contract providers, and their affiliates, regulated by the Department of Agriculture and Consumer Services and insurers or entities regulated by Title 38.2 (Insurance) from provisions of law governing automatic renewal and continuous service offers to consumers. The bill also amends the definition of “automatic renewal” to mean a plan or arrangement in which a paid subscription or purchasing agreement is automatically renewed at the end of a definite term for a subsequent term of more than one month. Current law does not specify the length of the subsequent renewal term.

6. Budget Amendment Necessary: No.

7. Fiscal Impact Estimates: Final. See Item 8.

8. Fiscal Implications: It is anticipated that the Virginia Department of Agriculture and Consumer Services and the Office of the Attorney General can absorb any costs that may be incurred as a result of this bill. The State Corporation Commission does not anticipate any impact from this bill.

9. Specific Agency or Political Subdivisions Affected: Virginia Department of Agriculture and Consumer Services, Office of the Attorney General, State Corporation Commission

10. Technical Amendment Necessary: No.

11. Other Comments: None