

## **Department of Planning and Budget 2008 Fiscal Impact Statement**

**1. Bill Number:** HB1508

House of Origin	<u>X</u>	Introduced	<u>  </u>	Substitute	<u>  </u>	Engrossed
Second House	<u>  </u>	In Committee	<u>  </u>	Substitute	<u>  </u>	Enrolled

**2. Patron:** Sickles

**3. Committee:** Commerce and Labor

**4. Title:** Extended service contracts

**5. Summary:** The bill revises the definition of an extended service contract to mean a contract or agreement for a specific duration to perform the repair, replacement, or maintenance of property or indemnification for repair, replacement, or maintenance, for the operational or structural failure of any motor vehicle, or consumer product due to a defect in materials, workmanship, inherent defect, or normal wear and tear, with or without additional provisions for incidental payment of indemnity under limited circumstances, including, but not limited to, towing, rental, and emergency road service and road hazard protection. The measure provides that extended service contracts may provide for the repair, replacement, or maintenance of property for damage resulting from power surges or interruption or accidental damage from handling. The measure further declares that extended service contracts are not insurance in the Commonwealth or otherwise regulated under Title 38.2.

**6. Fiscal Impact Estimates:** The bill does not have a fiscal impact.

**7. Budget Amendment Necessary:** No.

**8. Fiscal Implications:** None.

**9. Specific Agency or Political Subdivisions Affected:** Department of Agriculture and Consumer Services.

**10. Technical Amendment Necessary:** No.

**11. Other Comments:** None.

**Date:** 1/30/2008 dpbkbs

**Document:** G:\08 FIS\DACS\HB1508.DOC

cc: Secretary of Agriculture and Forestry