

**** REVISED ****
State Corporation Commission
2009 Fiscal Impact Statement

1. Bill Number: HB2430

House of Origin X Introduced Substitute Engrossed
Second House In Committee Substitute Enrolled

2. Patron: May

3. Committee: Commerce and Labor

4. Title: **Electronic delivery of insurance notices.**

5. Summary/Purpose: Allows insurers and their policyholders to agree to communicate electronically. A new section § 38.2-325 has been added and §§ 38.2-231, 38.2-2113, 38.2-2114, 38.2-2208, and 38.2-2212 pertaining to termination notice requirements have been amended to allow termination notices to be provided electronically as long as the insurer and the policyholder mutually agree to this manner of communication. In addition, any termination notice provided electronically to an insured pursuant to §§ 38.2-231, 38.2-2113, 38.2-2114, 38.2-2208, and 38.2-2212 shall also be provided to the agent of record electronically.

6. Fiscal Impact Estimates: No Fiscal Impact on the State Corporation Commission

7. Budget amendment necessary: No

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:

11. Other comments: Delegate May introduced House Bill 636 (2008) during the last General Assembly; that bill also dealt with electronic communications between insurers and policyholders. House Bill 636 was later referred to the Joint Commission on Technology and Science. Interested parties, including the Bureau of Insurance, worked with JCOTS members on language for a new measure, which was introduced as this bill, House Bill 2430.

This bill was reported out with a substitute on January 29, 2009.

Date: 02/02/09/V. Tompkins
cc: Secretary of Commerce and Trade