

State Corporation Commission 2010 Fiscal Impact Statement

1. Bill Number: SB439

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

2. Patron: Saslaw

3. Committee: Commerce and Labor

4. Title: Home service contract providers.

5. Summary: Exempts home service contract providers with a net worth in excess of \$100 million from the licensing requirements under Article 2 of Chapter 26 of Title 38.2. Amends the definition of provider to include home service contract provider. Adds to the list of exemptions from Article 2 any home service contract provider with a net worth in excess of \$100 million. Clarifies that it is the insurer issuing the reimbursement insurance policy that must meet the surplus to policyholder requirements listed in this subdivision, and not the home service contract provider. Additional grammatical changes are made to subsection E.

6. 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: No

11. Other comments: Bureau of Insurance staff worked with interested parties on the provisions contained in Senate Bill 439 to address an inconsistency between the exemption provisions under Article 1 of Chapter 26 (§ 38.2-2601 2 (ii)) and Article 2 of Chapter 26 (§ 38.2-2618), as well as technical corrections to §§ 38.2-2617 and 38.2-2619.

Senate Bill 439 is identical to House Bill 532.

Date: 02/03/10 V. Tompkins
cc: Secretary of Commerce and Trade