

State Corporation Commission 2011 Fiscal Impact Statement

1. Bill Number: HB2480

House of Origin	<input type="checkbox"/> Introduced	<input checked="" type="checkbox"/> Substitute	<input type="checkbox"/> Engrossed
Second House	<input type="checkbox"/> In Committee	<input type="checkbox"/> Substitute	<input type="checkbox"/> Enrolled

2. Patron: Marshall, D.W.

3. Committee: Passed Both Houses

4. Title: Portable electronics insurance; provides coverage for repair or replacement of such devices.

5. Summary/Purpose: Adds “portable electronics insurance authority” to the lines of insurance that may be sold by those holding a limited lines property and casualty agent license. Allows the sale of portable electronics insurance (PEI) by a vendor holding a limited lines P&C license and would also allow their unlicensed employees to sell PEI. Vendors would be required to provide training to their unlicensed employees regarding the sale of PEI and the required disclosures and could provide incidental compensation to unlicensed employees not to exceed \$10 per enrolled customer. Requires the charges for any insurance to be itemized on the customer’s bill and the vendor would be required to comply with the fiduciary and payment provisions of § 38.2-1813 of the Code of Virginia. Adds clarifying language to permit the sale of PEI coverage on an individual policy basis, to specify how premiums are to be handled and giving the Commission the authority to promulgate a regulation if necessary. A licensee whose home state does not have a limited lines license for PEI may obtain a Virginia license; if that licensee’s home state fails to enact a PEO limited license statute by July 1, 2014, the licensee would be required to obtain a full property and casualty insurance license in their home state and a non resident property and casualty license in Virginia.

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: Eight states have enacted legislation similar to House Bill 2480.

Date: 02/24/11 V. Tompkins

cc: Secretary of Commerce and Trade, Secretary of Health and Human Resources