

State Corporation Commission 2013 Fiscal Impact Statement

1. Bill Number: SB984

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

2. Patron: Obenshain

3. Committee: Passed Both Houses

4. Title: Notification of settlement payment.

5. Summary: Notification of settlement payment. Requires insurers that issue a settlement check of at least \$5000 in satisfaction of a third party claim to a claimant's attorney to send a notice to the claimant within 5 days that such check has been sent to his attorney. The language of the notice is set forth in the bill as well as the mailing procedures. The bill holds the insurer harmless if the notice is not given or is defective. The bill further provides that the failure to give notice or the provision of defective notice (i) does not create a cause of action against an insurer by any person; (ii) does not create a defense for any person in any such action; or (iii) does not in any way affect the settlement or satisfaction for which the payment was made by the insurer.

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: The provisions of Senate Bill 984 are based on the work of a Virginia State Bar task force formed to address large-scale attorney defalcation.

Date: 02/20/13/V. Tompkins
cc: Secretary of Commerce and Trade