

****REVISED****
State Corporation Commission
2016 Fiscal Impact Statement

1. Bill Number: HB307

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: Byron

3. Committee: Passed Both Houses

4. Title: Insurance companies; clarifies and updates provisions regarding notices to applicants, etc.

5. Summary: Insurance notices. Clarifies and updates provisions regarding notices from insurance companies to applicants and policyholders. The measure amends the requirement that insurers give insureds notice when increasing the premium on their policies due to accidents to clarify that insurers are required to inform insureds that they have 60 days to seek a review by the Bureau of Insurance of the application of a surcharge. The notice requirements regarding uninsured motorist coverage (UM/UIM) is updated to allow the practice under which insurers give applicants the opportunity to request UM/UIM limits equal to their liability limits or to request lower UM/UIM limits, as long as the lower limits are at least \$25,000/\$50,000/\$20,000. Other changes clarify which notices are required to be given on new business policies only rather than on new and renewal business policies. The legislation applies to new or renewal policies issued on or after January 1, 2017.

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: Delegate Byron introduced House Bill 307 at the request of the State Corporation Commission.

Date: 03/18/16/V. Tompkins

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