

State Corporation Commission

2018 Fiscal Impact Statement

1. Bill Number: SB672

House of Origin ☒ Introduced ☐ Substitute ☐ Engrossed
Second House ☐ In Committee ☐ Substitute ☐ Enrolled

2. Patron: Deeds

3. Committee: Commerce and Labor

4. Title: Health insurance; small employers; self-employed persons.

5. Summary: Revises the definition of "small employer" for purposes of health insurance to provide that it includes a self-employed person. The measure also provides that an individual who is the sole shareholder of a corporation or sole member of a limited liability company, or an immediate family member of such sole shareholder or member, qualifies as an employee of the corporation or limited liability company if he performed any service for remuneration under a contract of hire for the corporation or limited liability company.

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: Senate Bill 672 would change the Code of Virginia so that the definition in § 38.2-3406 of the Code of Virginia is consistent with the definition of "small employer" in § 38.2-3431 of the Code of Virginia. This change will ensure that the owner of the business counts as "one employee" for purposes of the small group health insurance market. The definition proposed in Senate Bill 672 may conflict with the federal Patient Protection and Affordable Care Act.

Date: 01/27/18/V. Tompkins