

State Corporation Commission

2019 Fiscal Impact Statement

1. Bill Number: SB1117

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

2. Patron: Petersen

3. Committee: Commerce and Labor

4. Title: Uninsured and underinsured motorist insurance policies; bad faith.

5. Summary: Provides that if an insurance company denies, refuses, or fails to pay its insured, or refuses a reasonable settlement demand within the policy's coverage limits for a claim for uninsured or underinsured motorist benefits within a reasonable time after being presented with a demand for such benefits and it is subsequently found that such denial, refusal, or failure was not in good faith, then the insurance company shall be liable to the insured for the full amount of the judgment and reasonable attorney fees, expenses, and interest.

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: None noted

11. Other comments: This bill amends §§ 8.01-66.1 (remedy for arbitrary refusal of motor vehicle insurance claim) and 38.2-2206 (uninsured motorist insurance coverage) of the Code of Virginia. The State Corporation Commission Bureau of Insurance staff does not have expertise in the provisions of Title 8.01 of the Code of Virginia pertaining to civil remedies and procedure.

Date: 01/27/19/V. Tompkins