

State Corporation Commission

2022 Fiscal Impact Statement

1. Bill Number: HB 1156

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

2. Patron: Byron

3. Committee: Commerce and Energy

4. Title: Private family leave insurance.

5. Summary: Establishes family leave insurance as a class of insurance. The bill defines "family leave insurance" as an insurance policy issued to an employer related to a benefit program provided to an employee to pay for the employee's income loss due to (i) the birth of a child or adoption of a child by the employee; (ii) placement of a child with the employee for foster care; (iii) care of a family member of the employee who has a serious health condition; or (iv) circumstances arising out of the fact that the employee's family member who is a service member is on active duty or has been notified of an impending call or order to active duty.

Under the bill, family leave coverage may be written as an amendment to a group disability income policy, included in a group disability income policy, or written as a separate group policy purchased by an employer. The bill prohibits delivery or issue for delivery of a family leave insurance policy unless a copy of the form and the rate manual showing rates, rules, and classification of risks have been filed with the State Corporation Commission. The bill prohibits an individual certificate and enrollment form from being used in connection with a group family leave insurance policy unless the form for the certificate and enrollment form have been filed with the Commission. The bill provides that "life and annuities insurance agent" means an agent licensed in the Commonwealth to sell, solicit, or negotiate, among other types of insurance, family leave insurance, on behalf of insurers licensed in the Commonwealth.

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: House Bill 1156 and its companion bill, Senate Bill 15, resulted from the work of a stakeholder group directed by 2021 Senate Bill 1219 to develop recommendations by which the State Corporation Commission could approve the sale of individual and group family leave plans in Virginia.

Date: 1/26/22/V. Tompkins