

**REVENUE:** No revenue impact

**FISCAL:** Minimal fiscal impact, no statement issued

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<b>Action:</b>	Do Pass as Amended and Be Printed Engrossed
<b>Vote:</b>	8 - 0 - 0
<b>Yeas:</b>	Cameron, Clem, Conger, Matthews, Sheehan, Smith J., Holvey, Whisnant
<b>Nays:</b>	0
<b>Exc.:</b>	0
<b>Prepared By:</b>	Jan Nordlund, Administrator
<b>Meeting Dates:</b>	3/24, 4/19, 4/20

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**WHAT THE MEASURE DOES:** Prohibits portable electronics vendor from issuing, selling, or offering insurance coverage without a limited license from the Department of Consumer and Business Services (DCBS). Specifies information vendor policyholder must disclose in writing regarding portable electronics insurance to prospective customers. Requires vendor to itemize in writing when the charge for insurance coverage is not included in cost to purchase or lease portable electronics. Allows employees, agents, or representatives of a vendor policyholder to issue, sell, or offer portable electronics insurance without a limited license in specified circumstances. Allows DCBS to impose civil penalty not to exceed \$1,000 per violation and \$10,000 for multiple violations. Specifies when and how a supervising entity may modify or terminate the policy or terminate a customer's coverage. Declares an emergency, effective on passage and operative on January 1, 2012.

**ISSUES DISCUSSED:**

- Similarity to licensing framework for rental car companies
- Penalties and consumer remedies

**EFFECT OF COMMITTEE AMENDMENT:** Replaces original measure.

**BACKGROUND:** Portable electronic devices include, but are not limited to, cellular phones and electronic tablets. The licensing framework proposed would not require all sales associates in a store to be licensed if the retailer holds a license that authorizes its employees to sell the insurance product. The licensing framework is patterned after rental car insurance statutes.