

**SB 330 A STAFF MEASURE SUMMARY**

**Carrier:** Rep. Kennemer

**House Committee On Business and Labor**

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**Action Date:** 05/15/17

**Action:** Do pass with amendments. (Printed A-Eng.)

**Vote:** 9-0-0-0

**Yeas:** 9 - Barreto, Bynum, Doherty, Evans, Fahey, Hack, Heard, Holvey, Kennemer

**Fiscal:** No fiscal impact

**Revenue:** No revenue impact

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**WHAT THE MEASURE DOES:**

Reduces from 60 days to 30 days the notice period that vendor policyholder and enrolled customers are required to receive before insurer or supervising entity modifies or terminates the terms and conditions of portable electronics insurance policy. Specifies that electronic notice or correspondence related to portable electronics coverage may be sent to a vendor policyholder under different circumstances than those under which notice may be sent electronically to enrolled customers.

**ISSUES DISCUSSED:**

- Ability of consumer to request notice be mailed
- Whether provision allowing cancellation of coverage without notice for failure to pay premium should remain in measure

**EFFECT OF AMENDMENT:**

Restores provision that requires 15-day notice before canceling insurance if customer fails to pay the premium.

**BACKGROUND:**

Portable electronics insurance is a relatively new classification of insurance products that provide coverage to a wide array of electronic devices for different causes including loss, theft and malfunction. House Bill 3411 (2011) instituted a requirement that portable electronics vendors obtain a limited license from the Department of Consumer and Business Services in order to sell, or offer for sale, portable electronics insurance coverage.

Senate Bill 330-A reduces the required notice to vendor policyholders and enrolled customers from 60 days to 30 days of pending modification or termination of portable insurance coverage by the insurer. The measure also provides for notice to be given through email if the customer agrees to electronically receive notices and correspondence.