



Fiscal Impact Statement for Proposed Legislation

Virginia State Corporation Commission

Published: March 5, 2026

House Bill 353

Version: Enrolled

Patron: K. Callsen

Title: Benefits consortium; sponsoring association

Summary: Provides that the sponsoring association of a benefits consortium that offers health benefit plans to the members of such sponsoring association may operate as a nonprofit entity under § 501(c)(3), 501(c)(5), or 501(c)(6) of the Internal Revenue Code. Under current law, such a sponsoring association may only operate under § 501(c)(5) or 501(c)(6) of the Internal Revenue Code.

Effective Date(s): July 1, 2026

Amendment Necessary: Budget, Item None
 Technical, see *Technical Note* below
 None

Fiscal Summary

The bill has no impact on revenue.

The bill has a minimal impact on expenditures.

The bill has no impact on FTEs.

Fiscal Analysis

Revenue

There are no assumption for revenue for this bill.

The requirements of this bill can be satisfied within the Bureau's current revenue authority.

Expenditures

The opportunity cost for FY 2026-FY 2030 is based on the following assumptions; 1. Bureau procedures will need to be updated. (nonrecurring, FY 2026-FY 2027) 2. The number of filings for review will likely increase. (recurring, FY 2027-FY 2030) 3. Regulations may need to be updated. (nonrecurring, FY 2026-FY 2027)

Based on the assumptions noted, the opportunity cost in the form of personnel costs is expected to be minimal and absorbable. (However, see Other Comments section). Certain opportunity costs noted in the assumptions would be incurred in the latter part of FY 2026 in advance of the July 1, 2027, effective date of the bill.

Change in FTE

There is no change in FTEs.

Other Comments

While the opportunity cost of this bill can be absorbed by existing FTEs and is not included in the nongeneral fund expenditure in the Fiscal Summary table, the cumulative effect of enactment of these types of proposals may exceed the SCC's capacity and may result in a future need for additional appropriations, positions, or both.

Technical Note

There is no technical note necessary.