

A brief report this week.

Things on the health insurance front have been quiet this week. No movement on AHP's, and, on the life insurance side of things, no movement on the stranger-originated life insurance bill (STOLI).

For those of you with a personal or professional interest in auto insurance, note that work on mandatory uninsured and underinsured coverage continues, with drafting efforts devoting to ensuring there are no unintended consequences with respect to commercial coverage. The Trial Bar would love nothing better than to allow the mayhem surrounding the selection/rejection form to continue, and they favor as well the ability to purchase million dollar limits. How all this will play out is difficult to project.

Senate Commerce met this week, but took up no bills of interest. The UM/UIM issue is scheduled to be considered next Tuesday, June 17, in Senate Commerce. It will be addressed in **HB 738**, a DOI bill that will be stripped of its original provisions and modified to include the UM/UIM legislation and perhaps other unrelated matters. The DOI is handling the final drafting and handling of HB 738, which began life as one its bills on custodial agreements between companies and the DOI. I have yet to see what it might ultimately contain, and will report to you on any matters of interest in it.

The Senate had hoped to get the budget back to the House this week, but that did not happen. It should certainly happen next week. When the House and Senate conferees get to work it will be hard for much else to get done.

HB 2335 - Extend Small Business Tax Credit had been on the House calendar this week after getting a favorable report from Finance. It would increase the tax credit for employers providing health benefits from \$250 to \$300, and would extend the credit's sunset from 1/1/09 to 1/1/14. The bill will be re-scheduled for debate at a later time, and may end up in the budget (**HB 2436**) rather than as a stand alone bill.

All else is quiet. The House and Senate left town yesterday for the weekend, and will convene again on Monday evening, June 16. The Senate Appropriations Committees will be getting back early on Monday to work on the budget. All else is steady as she goes, and I'll keep you posted as to all that transpires.

Robert C. Paschal

Attorney

Young Moore and Henderson, PA

PO Box 31627

Raleigh, NC 27622

919-782-6860

Fax: 919-782-6753

Direct Dial: 919-861-5107