

# 4010

# WEST VIRGINIA LEGISLATURE

REGULAR SESSION, 1988



# ENROLLED

*Com. Sub. for*  
HOUSE BILL No. *4010*

(By Mr. *Delegate Fuller*)



Passed *March 12,* 1988

In Effect *Ninety Days from* Passage

**ENROLLED**  
COMMITTEE SUBSTITUTE  
FOR  
**H. B. 4010**  
(By DELEGATE FULLEN)

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[Passed March 12, 1988; in effect ninety days from passage.]

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AN ACT to amend and reenact section two, article twelve, chapter thirty-three of the code of West Virginia, one thousand nine hundred thirty-one, as amended, relating to insurance and licensing qualifications for agents, brokers, solicitors or excess line brokers; requiring a certain minimum education standard prior to licensing; and providing for certification of minimum standard.

*Be it enacted by the Legislature of West Virginia:*

That section two, article twelve, chapter thirty-three of the code of West Virginia, one thousand nine hundred thirty-one, as amended, be amended and reenacted, to read as follows:

**ARTICLE 12. AGENTS, BROKERS, SOLICITORS AND EXCESS  
LINE.**

**§33-12-2. Qualifications.**

- 1 For the protection of the people of West Virginia, the
- 2 commissioner shall not issue, renew or permit to exist
- 3 any agent's, broker's or solicitor's license except to an
- 4 individual who:
- 5 (a) Is eighteen years of age or more.
- 6 (b) Is a resident of West Virginia, except that a

7 broker's license shall be issued only to nonresidents, and  
8 except for nonresident life and accident and sickness  
9 agents as provided in section eight of this article.

10 (c) Is, in the case of an agent applicant, appointed as  
11 agent by a licensed insurer for the kind or kinds of  
12 insurance for which application is made, subject to  
13 issuance of license, or, in the case of a solicitor applicant,  
14 appointed as solicitor by a licensed resident agent,  
15 subject to issuance of license.

16 (d) Does not intend to use the license principally for  
17 the purpose, in the case of life or accident and sickness  
18 insurance, of procuring insurance on himself, members  
19 of his family or his relatives; or, as to insurance other  
20 than life and accident and sickness, upon his property  
21 or insurable interests of those of his family or his  
22 relatives or those of his employer, employees or firm, or  
23 corporation in which he owns a substantial interest, or  
24 of the employees of such firm or corporation, or on  
25 property or insurable interests for which the applicant  
26 or any such relative, employer, firm or corporation is the  
27 trustee, bailee or receiver. For the purposes of this  
28 provision, a vendor's or lender's interest in property sold  
29 or being sold under contract or which is the security for  
30 any loan, shall not be deemed to constitute property or  
31 an insurable interest of such vendor or lender.

32 (e) Satisfies the commissioner that he is trustworthy  
33 and competent. The commissioner may test the compet-  
34 ency of an applicant for a license under this section by  
35 examination. Each examinee shall pay a twenty-five  
36 dollar examination fee for each examination to the  
37 commissioner who shall deposit said examination fee  
38 into the state treasury for the benefit of the state fund,  
39 general revenue. The commissioner may, at his discre-  
40 tion, designate an independent testing service to prepare  
41 and administer such examination subject to direction  
42 and approval by the commissioner, and examination fees  
43 charged by such service shall be paid by the applicant.

44 (f) For new agents first licensed on or after the first  
45 day of July, one thousand nine hundred eighty-nine,  
46 completes a program of insurance education as estab-

47 lished below.

48 There is hereby created the board of insurance agent  
49 education. The board of insurance agent education shall  
50 consist of the commissioner of insurance and six  
51 members appointed by the commissioner. The members  
52 appointed by the commissioner shall be two licensed  
53 property and casualty insurance agents, one licensed life  
54 insurance agent, one licensed health and accident  
55 insurance agent, one representative of a domestic  
56 insurance company, and one representative of a foreign  
57 insurance company. Each member shall serve a term of  
58 three years and shall be eligible for reappointment.

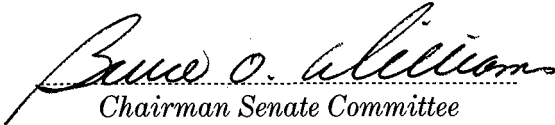
59 (1) The board of insurance agent education shall  
60 establish the criteria for a program of insurance  
61 education and submit the proposal for the approval of  
62 the commissioner on or before the thirty-first day of  
63 December of each year.

64 (2) The commissioner and the board, under standards  
65 established by the board, may approve any course or  
66 program of instruction developed or sponsored by an  
67 authorized insurer, accredited college or university,  
68 agents association, insurance trade association, or  
69 independent program of instruction that presents the  
70 criteria and the number of hours that the board and  
71 commissioner determine appropriate for the purpose of  
72 this article: *Provided*, That any person who was a  
73 licensed agent, broker or solicitor on the first day of  
74 July, one thousand nine hundred eighty-nine, and who  
75 subsequently terminates the contractual relationship  
76 with the insurer or employing agent, may have that  
77 license renewed within five years of such termination  
78 without complying with the competency testing provi-  
79 sions of subdivision (c) or the education provisions of  
80 subdivision (f) of this section.

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Enr. Com. Sub. for H. B. 4010] 4

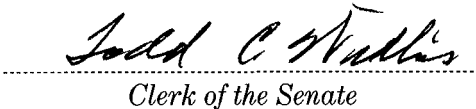
The Joint Committee on Enrolled Bills hereby certifies that the foregoing bill is correctly enrolled.

  
Chairman Senate Committee

  
Chairman House Committee

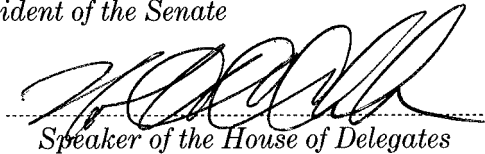
Originating in the House.

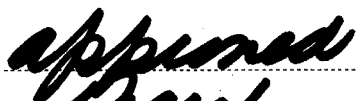


Takes effect ninety days from passage.

  
Clerk of the Senate

  
Clerk of the House of Delegates

  
President of the Senate

  
Speaker of the House of Delegates

The within  this the   
day of , 1988.

  
Governor

PRESENTED TO THE

GOVERNOR

Date 3/23/88

Time 3:40 p.m.

RECEIVED

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