

HB# 4384

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WEST VIRGINIA LEGISLATURE

REGULAR SESSION, 1994



ENROLLED

HOUSE BILL No. 4384

(By Delegates S. Williams, Staton, Beane,
Starris and Manigan)



Passed March 12, 1994

In Effect 90 Days from Passage

ENROLLED

COMMITTEE SUBSTITUTE

FOR

H. B. 4384

(By DELEGATES S. WILLIAMS, STATON, BEANE,
FARRIS AND FLANIGAN)

[Passed March 12, 1994; in effect ninety days from passage.]

AN ACT to amend article twelve, chapter thirty-three of the code of West Virginia, one thousand nine hundred thirty-one, as amended, by adding thereto a new section, designated section thirty-two, relating to requiring insurance companies withdrawing from writing private passenger automobile insurance within the state to continue to appoint and pay agents who service surviving policies for a period of two years from the date of termination of the contractual relationship for those renewal policies which the agent continues to service; and limitations.

Be it enacted by the Legislature of West Virginia:

That article twelve, chapter thirty-three of the code of West Virginia, one thousand nine hundred thirty-one, as amended, be amended by adding thereto a new section, designated section thirty-two, to read as follows:

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

**§33-12-32. Termination of contractual relationship;
continuation of certain commissions;
exceptions.**

1 (a) In the event of a termination of a contractual

2 relationship between a duly licensed insurance agent
3 and an automobile insurer of private passenger automo-
4 biles who is withdrawing from writing private pas-
5 senger automobile insurance within the state, the
6 insurer shall pay the agent a commission, equal to the
7 commission the agent would have otherwise been
8 entitled to under his or her contract with the insurer,
9 for a period of two years from the date of termination
10 of the contractual relationship for those renewal policies
11 that cannot otherwise be canceled or nonrenewed
12 pursuant to law, which policies the agent continues to
13 service. The insurer must continue the appointment of
14 the agent for the duration of time the agent continues
15 to service the business: *Provided*, That this requirement
16 shall not obligate the withdrawing insurer to accept any
17 new private passenger automobile insurance within the
18 state.

19 (b) Subsection (a) of this section does not apply to an
20 agent who is an employee of the insurer, or an agent as
21 defined by article twelve-a of this chapter, or an agent,
22 who by contractual agreement either represents only
23 one insurer or group of affiliated insurers or who is
24 required by contract to submit risks to a specified
25 insurer or group of affiliated insurers prior to submit-
26 ting them to others.

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

[Handwritten Signature]

Chairman Senate Committee

Ernest C Moore

Chairman House Committee

Originating in the House.

Takes effect ninety days from passage.

[Handwritten Signature]

Clerk of the Senate

Donald L. Kopp

Clerk of the House of Delegates

[Handwritten Signature]

President of the Senate

[Handwritten Signature]

Speaker of the House of Delegates

The within *is approved* this the *29th*
day of *March* 1994.

[Handwritten Signature]

Governor



REF: 100 TO THE

GOVERNOR

Date

3/25/94

Title

9:42 am