

WEST VIRGINIA LEGISLATURE

SECOND REGULAR SESSION, 2000



ENROLLED

House Bill No. 4499

(By Delegates Beane and Hutchins)



Passed March 8, 2000

In Effect Ninety Days from Passage

ENROLLED

H. B. 4499

(BY DELEGATES BEANE AND HUTCHINS)

[Passed March 8, 2000; in effect ninety days from passage.]

AN ACT to amend and reenact section two, article four, chapter thirty-three of the code of West Virginia, one thousand nine hundred thirty-one, as amended, relating to the exemption of warranties, service contracts and maintenance agreements from regulation under the insurance laws.

Be it enacted by the Legislature of West Virginia:

That section two, article four, 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 4. GENERAL PROVISIONS.

§33-4-2. Application of chapter to particular types of insurers.

- 1 (a) No provision of this chapter shall apply to:
- 2 (1) Hospital service corporations and medical service
- 3 corporations except as stated in article twenty-four of this
- 4 chapter;

5 (2) Fraternal benefit societies except as stated in article
6 twenty-three of this chapter;

7 (3) Farmers' mutual fire insurance companies except as
8 stated in article twenty-two of this chapter;

9 (4) Warranties;

10 (5) Service contracts;

11 (6) Maintenance agreements.

12 (b) For the purposes of this article:

13 (1) "Holder" means a resident of this state who either
14 purchases a service agreement or is legally in possession of a
15 service contract and is entitled to enforce the rights of the
16 original purchaser of the service contract.

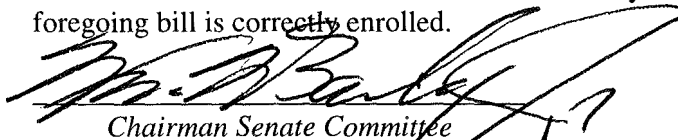
17 (2) "Maintenance agreement" means a contract for a limited
18 period that provides only for scheduled maintenance.

19 (3) "Provider" means a person who is obligated to a holder
20 pursuant to the terms of a service contract to repair, replace or
21 perform maintenance on or to indemnify the holder for the costs
22 of repairing, replacing or performing maintenance on goods.


23 (4) "Service contract" means an agreement entered into for
24 a separately stated consideration and for a specified term under
25 which a provider agrees to repair, replace or maintain a product
26 or provide indemnification for the repair, replacement or
27 maintenance of a product for operational or structural failure
28 caused by a defect in materials or workmanship or by normal
29 wear. A service contract may additionally provide for incidental
30 payment or indemnity under limited circumstances including
31 towing, rental and emergency road service or for the repair or
32 replacement of a product for damage resulting from power
33 surges or accidental damage incurred in handling the product.

34 (5) "Warranty" means in relation to a product or service an
35 undertaking that guarantees indemnity for defective parts,
36 mechanical or electrical breakdown, labor costs or other
37 remedial measures, such as repair or replacement of the product
38 or repetition of services and that is made solely by the manufac-
39 turer, importer or seller of the product or services made without
40 payment of additional consideration, not negotiated or separated
41 from the sale of the product or service and incidental to the sale
42 of the product or service.

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



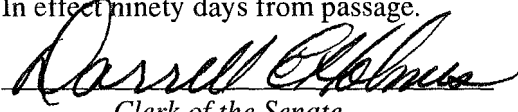
Chairman Senate Committee



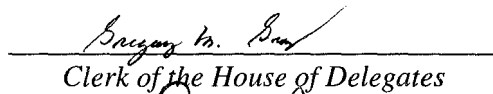
Chairman House Committee

Originating in the House.

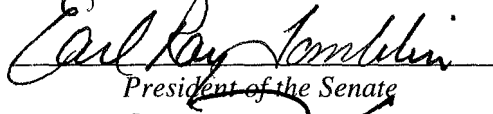
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Clerk of the Senate



Clerk of the House of Delegates

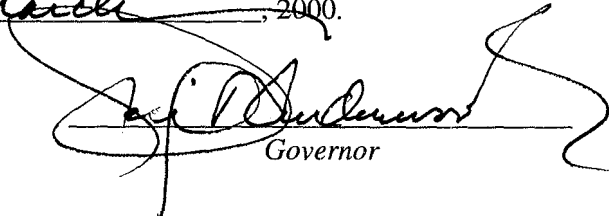


President of the Senate



Speaker of the House of Delegates

The within approved this the 17th
day of March, 2000.



Governor

PRESENTED TO THE

GOVERNOR

Date 3/14/12

Time 12:12pm