WEST VIRGINIA LEGISLATURE
REGULAR SESSION, 1947

ENROLLED
Committee Substitute for
SENATE BILL No. 224

(By Mr. ____________________________)

PASSED March 4, 1947

In Effect July 1, 1947 Passage
AN ACT to amend article one, chapter thirty-three of the code of West Virginia, one thousand nine hundred thirty-one, as last amended, creating and establishing a state agency to be called the "Insurance Commissioner of West Virginia," who shall be known and designated as the "Insurance Commissioner," and who shall be appointed and designated by the governor, by and with the advice and consent of the senate; prescribing the rights, powers, privileges and compensation of said insurance commissioner; transferring the rights, powers, duties and privileges heretofore vested in the auditor as ex officio insurance commissioner to said insurance commissioner, appointed hereunder; and fixing the term of office of said insurance commissioner.
Be it enacted by the Legislature of West Virginia:

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

Article 1. Insurance Commissioner of West Virginia.

Section 1. General Purposes; Creation of Office of Insurance Commissioner; Appointment and Term of Office of Commissioner.—There is hereby created and established on July first, one thousand nine hundred forty-seven a state agency to be known as the “Insurance Commissioner of West Virginia” which shall consist of an insurance commissioner and such employees as may be authorized by law. The commissioner shall be a citizen and resident of this state. He shall, on or before July first, one thousand nine hundred forty-seven, be appointed and designated as the “Insurance Commissioner” by the governor, by and with the advice and consent of the senate, to serve for a period of six years. All appointments to said office made thereafter shall be for a period of six years, excepting that in a case of a vacancy the appointment shall be made to fill the unexpired term.
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Before taking the oath of office said insurance commissioner shall sever any and all connection either direct or indirect with any or all companies subject to supervision by the insurance commissioner and with any person, firm, corporation or agency representing any such company or companies. He shall devote his entire time to the discharge of the duties of the office of insurance commissioner, and shall engage in no other form of work, business endeavor or business occupation.

Sec. 2. Compensation of Commissioner; Expenses.—

The insurance commissioner shall receive an annual salary of six thousand dollars and actual expenses incurred in the performance of official business which compensation shall be in full for all services. The office of the commissioner shall be established and maintained in the capital or other suitable place in Charleston. The commissioner may establish such rules and regulations as may be necessary or convenient for the discharge of his duties, and may employ such persons and incur such expenses as may be necessary in the discharge of his duties as imposed by law, and shall fix the compensation of such
employees, but such compensation shall not exceed the
appropriation therefor. All compensation for salaries of
the commissioner, for salaries and wages of employees of
the commissioner and for expenses of the commissioner
as herein authorized shall be paid monthly out of the
state treasury by requisition upon the auditor, properly
certified by the insurance commissioner.

Sec. 3. Transfer of Rights, Powers, Duties and Privileges, Vested in the Auditor as Insurance Commissioner to the Insurance Commissioner.—All rights, powers, duties and privileges vested in, exercised, or enjoyed by the auditor of this state as insurance commissioner, shall, on and after the first day of July, one thousand nine hundred forty-seven, be vested in, exercised, and enjoyed by the insurance commissioner appointed hereunder, and his successors in office. All papers, blanks, reports, documents and records heretofore in the possession, custody, or control of the auditor of this state as insurance commissioner shall be, and are hereby, transferred to, and shall remain in, the possession, custody and control, of the insurance commissioner appointed hereunder.
Sec. 3-a. Definition of Term "Insurance Company."—

"Insurance company" as used in this article means all insurers or insurance carriers, including, but not limited to, stock insurance companies, mutual insurance companies, reciprocal and inter-insurance exchanges, and all other types of insurers and insurance carriers.

Sec. 4. General Duties of Commissioner.—The commissioner shall see that all laws respecting insurance companies are faithfully executed; shall furnish to each insurance company doing business in this state printed forms of the statements required by law; shall on or before the tenth day of each month pay into the state treasury all the fees which he may have received during the month previous; and may administer oaths in the discharge of his duties. He shall report to the governor changes which, in the opinion of the commissioner, should be made in the laws relating to insurance.

Sec. 5. Examination of Resident Insurance Companies.

The commissioner or his accredited examiners shall, at least once in four years, visit each company or association under the jurisdiction and supervision of the com-
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missioner and thoroughly examine its financial condition and ascertain whether it has complied with all provisions of the laws of this state. All the expenses of such examination shall be borne by the company or association examined.

Sec. 6. Examination and Supervision of Business Methods of Insurance Companies.—The commissioner may from time to time examine the methods of business of any company, corporation, association, partnership or combination of persons doing any kind or form of insurance business in this state, and may order it or them to answer such questions as he may deem necessary for the purpose of such inquiry; and if, in the opinion of the commissioner, after due notice and hearing, any such company, corporation, association, partnership or combination of persons is doing business in an illegal, improper or unjust manner, or failing to adjust and pay losses and obligations when they become due, excepting claims to which there is a substantial defense, he may order it to discontinue such illegal or improper method
of doing business and may order it to adjust and pay its
losses and obligations as they become due.

And in order to foster and protect the businesses con-
ducted under the supervision of said insurance commis-
sioner, and to put this legislative policy into effect, the
insurance commissioner is authorized and directed to
maintain a continuous investigation of the regulation and
control of such businesses generally. When, because of
regulations in other states, an emergency arises which
endangers the stability of such businesses within this
state, the commissioner, after investigation and deter-
mination, shall have the authority to make from time to
time such temporary regulations as may be necessary to
protect such businesses carried on in this state against
discrimination because of regulations existing in other
states.

The commissioner shall promptly send certified copies
of all orders issued under the authority of this section to
each company, corporation, association, partnership or
combination of persons under his control, supervision or
regulation.
Sec. 7. *Enforcement of Orders of Commissioner.*—If any such company, corporation, association, partnership, or combination of persons shall fail or refuse within ten days to obey any such order of the insurance commissioner, he may apply to a court or judge having jurisdiction for an injunction or for the appointment of a receiver, or for both, and such court or judge may enforce such order of the commissioner by injunction, or by appointing a receiver to take charge of the property and affairs of such company, corporation, association, partnership or combination of persons, or both; and may make all such further orders as may be necessary or proper to carry into effect such an injunction or receivership.

Sec. 8. *Fees Payable to Commissioner.*—Except where it is otherwise specially provided, the commissioner shall demand and receive the following fees from all insurance companies: For annual fee for each license, ten dollars; for receiving and filing annual reports, ten dollars; for valuation of policies of life insurance companies organized under the laws of this state, one and one-half cents for each one thousand dollars of insurance; for valuation
of policies of life insurance companies organized under
the laws of any other state admitted to transact business
in this state, such rate for each one thousand dollars of
insurance valued as is imposed by such other state upon
any similar insurance company organized under the laws
of this state admitted to transact business in such other
state; for filing any additional paper required by law,
twenty-five cents; for every certificate of valuation, copy
of report or certificate of condition of company to be
filed in any other state, five dollars; for each agent's cer-
tificate of authority and copy of report, five dollars.

Sec. 9. Report by Commissioner.—The commissioner
shall annually, within sixty days after the first day of
January, submit to the governor a report of his official
acts, and of the condition of insurance companies doing
business in this state, with a condensed statement of their
reports made to him, an abstract of all accounts rendered
to any court by the receivers of insolvent insurance com-
panies, and the reports, or abstracts of the reports, made
to the insurance commissioner by such receivers, to-
gether with a statement of the fees received from all such
companies and paid by him into the state treasury.

Sec. 10. Repeal of Conflicting Acts.—All acts or parts
of acts in conflict with this article are hereby repealed.

Sec. 11. Severability.—The provisions of this act shall
be construed to be severable and if any are held uncon-
stitutional or otherwise invalid, such invalidity or un-
constitutionality shall not affect the operation of the re-
main ing provisions.
The Joint Committee on Enrolled Bills hereby certifies that the foregoing bill is correctly enrolled.

[Signature]
Chairman Senate Committee

[Signature]
Chairman House Committee

Originated in the Senate

Takes effect July 1, 1947

[Signature]
Clerk of the Senate

[Signature]
Clerk of the House of Delegates

[Signature]
President of the Senate

[Signature]
Speaker House of Delegates

The within bill approved this the 7th day of March, 1947.

[Signature]
Governor.

Filed in the Office of the Secretary of State of West Virginia

[Signature]
Wm. S. Carter,
Secretary of State