

WEST VIRGINIA LEGISLATURE

REGULAR SESSION, 1959

ENROLLED

SENATE BILL NO. 194

(By Mr. Nuckols)

PASSED March 10 1959

In Effect July 1, 1959 Passage



Filed in Office of the Secretary of State
of West Virginia **MAR 16 1959**
JOE F. BURDETT
SECRETARY OF STATE

194

ENROLLED

Senate Bill No. 194

(By MR. NUCKOLS)

[Passed March 10, 1959; in effect July 1, 1959.]

AN ACT to amend and reenact sections two, seven and twelve, article four, chapter seventeen-d of the code of West Virginia, one thousand nine hundred thirty-one, as amended, relating to judgments and minimum financial requirements for motor vehicle liability insurance policies.

Be it enacted by the Legislature of West Virginia:

That sections two, seven and twelve, article four, chapter seventeen-d of the code of West Virginia, one thousand nine hundred thirty-one, as amended, be amended and reenacted to read as follows:

Section 2. *Meaning of Proof of Financial Responsibility.*

2 —The term “proof of financial responsibility” as used in

3 this chapter shall mean: Proof of ability to respond in
4 damages for liability, on account of accident occurring
5 subsequent to the effective date of said proof, arising out
6 of the ownership, operation, maintenance, or use of a
7 motor vehicle, trailer or semitrailer in the amount of ten
8 thousand dollars because of bodily injury to or death of
9 one person in any one accident, and, subject to said limit
10 for one person, in the amount of twenty thousand dollars
11 because of bodily injury to or death of two or more per-
12 sons in any one accident, and in the amount of five thou-
13 sand dollars because of injury to or destruction of prop-
14 erty of others in any one accident.

Sec. 7. Payments Sufficient to Satisfy Requirements.—

2 (a) Judgments herein referred to shall, for the purpose
3 of this chapter only, be deemed satisfied:

4 (1) When ten thousand dollars has been credited upon
5 any judgment or judgments rendered in excess of that
6 amount because of bodily injury to or death of one person
7 as the result of any one accident; or

8 (2) When, subject to such limit of ten thousand dollars
9 because of bodily injury to or death of one person, the

10 sum of twenty thousand dollars has been credited upon
11 any judgment or judgments rendered in excess of that
12 amount because of bodily injury to or death of two or
13 more persons as the result of any one accident; or

14 (3) When five thousand dollars has been credited upon
15 any judgment or judgments rendered in excess of that
16 amount because of injury to or destruction of property of
17 others as a result of any one accident.

18 (b) *Provided, however,* That payments made in settle-
19 ment of any claims because of bodily injury, death, or
20 property damage arising from such accident shall be
21 credited in reduction of the amounts provided for in this
22 section.

Sec. 12. *Motor Vehicle Liability Policy Defined.*—(a)

2 A “motor vehicle liability policy” as said term is used
3 in this chapter shall mean an “owner’s policy” or an
4 “operator’s policy” of liability insurance certified as pro-
5 vided in section ten or section eleven of this article as
6 proof of financial responsibility, and issued, except as
7 otherwise provided in section eleven, by an insurance
8 carrier duly authorized to transact business in this state,

9 to or for the benefit of the person named therein as in-
10 sured.

11 (b) Such owner's policy of liability insurance:

12 (1) Shall designate by explicit description or by ap-
13 propriate reference all vehicles with respect to which
14 coverage is thereby to be granted; and

15 (2) Shall insure the person named therein and any
16 other person, as insured, using any such vehicle or vehicles
17 with the express or implied permission of such named
18 insured, against loss from the liability imposed by law
19 for damages arising out of the ownership, operation,
20 maintenance, or use of such vehicle or vehicles within
21 the United States of America or the Dominion of Canada,
22 subject to limits exclusive of interest and costs, with re-
23 spect to each such vehicle, as follows: Ten thousand
24 dollars because of bodily injury to or death of one person
25 in any one accident and, subject to said limit for one per-
26 son, twenty thousand dollars because of bodily injury to
27 or death of two or more persons in any one accident, and
28 five thousand dollars because of injury to or destruction
29 of property of others in any one accident.

30 (c) Such operator's policy of liability insurance shall
31 insure the person named as insured therein against loss
32 from the liability imposed upon him by law for damages
33 arising out of the use by him of any motor vehicle not
34 owned by him, within the same territorial limits and sub-
35 ject to the same limits of liability as are set forth above
36 with respect to an owner's policy of liability insurance.

37 (d) Such motor vehicle liability policy shall state the
38 name and address of the named insured, the coverage
39 afforded by the policy, the premium charged therefor, the
40 policy period, and the limits of liability, and shall contain
41 an agreement or be endorsed that insurance is provided
42 thereunder in accordance with the coverage defined in
43 this chapter as respects bodily injury and death or prop-
44 erty damage, or both, and is subject to all the provisions
45 of this chapter.

46 (e) Such motor vehicle liability policy need not insure
47 any liability under any workmen's compensation law nor
48 any liability on account of bodily injury to or death of
49 an employee of the insured while engaged in the employ-
50 ment, other than domestic, of the insured, or while

51 engaged in the operation, maintenance, or repair of any
52 such vehicle nor any liability for damage to property
53 owned by, rented to, in charge of, or transported by the
54 insured.

55 (f) Every motor vehicle liability policy shall be subject
56 to the following provisions which need not be contained
57 therein:

58 (1) The liability of the insurance carrier with respect
59 to the insurance required by this chapter shall become
60 absolute whenever injury or damage covered by said
61 motor vehicle liability policy occurs; said policy may not
62 be canceled or annulled as to such liability by an agree-
63 ment between the insurance carrier and the insured after
64 the occurrence of the injury or damage; no statement
65 made by the insured or on his behalf and no violation of
66 said policy shall defeat or void said policy.

67 (2) The satisfaction by the insured of a judgment for
68 such injury or damage shall not be a condition precedent
69 to the right or duty of the insurance carrier to make
70 payment on account of such injury or damage.

71 (3) The insurance carrier shall have the right to settle
72 any claim covered by the policy, and if such settlement
73 is made in good faith, the amount thereof shall be de-
74 ductible from the limits of liability specified in subdivision
75 two of subsection (b) of this section.

76 (4) The policy, the written application therefor, if any,
77 and any rider or endorsement which does not conflict
78 with the provisions of this chapter shall constitute the
79 entire contract between parties.

80 (g) Any policy which grants the coverage required
81 for a motor vehicle liability policy may also grant any
82 lawful coverage in excess of or in addition to the coverage
83 specified for a motor vehicle liability policy and such
84 excess or additional coverage shall not be subject to the
85 provisions of this chapter. With respect to a policy which
86 grants such excess or additional coverage the term "motor
87 vehicle liability policy" shall apply only to that part of
88 the coverage which is required by this section.

89 (h) Any motor vehicle liability policy may provide
90 that the insured shall reimburse the insurance carrier for
91 any payment the insurance carrier would not have been

92 obligated to make under the terms of the policy except
93 for the provisions of this chapter.

94 (i) Any motor vehicle liability policy may provide for
95 the prorating of the insurance thereunder with other
96 valid and collectible insurance.

97 (j) The requirements for a motor vehicle liability
98 policy may be fulfilled by the policies of one or more in-
99 surance carriers which policies together meet such re-
100 quirements.

101 (k) Any binder issued pending the issuance of a motor
102 vehicle liability policy shall be deemed to fulfill the re-
103 quirements for such a policy.

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

W. H. Jasper

Chairman Senate Committee

F. F. Deen

Chairman House Committee

Originated in the Senate.

Takes effect July 1, 1959 passage.

Howard Meyer

Clerk of the Senate

C. A. Blankenship

Clerk of the House of Delegates

Ralph Bean

President of the Senate

N. R. Pauley

Speaker House of Delegates

The within approved this the 16th

day of March, 1959.

Leif Underwood

Governor

