

WEST VIRGINIA LEGISLATURE

REGULAR SESSION, 1959

ENROLLED

SENATE BILL NO. 241

(By Mr. Martin & Mr. Nichols)

PASSED March 4 1959

In Effect 90 days from Passage



Filed in Office of the Secretary of State
of West Virginia **MAR 12 1959**
JOE F. BURDETT
SECRETARY OF STATE

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241

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Senate Bill No. 241

(By MR. MARTIN AND MR. NUCKOLS)

[Passed March 4, 1959; in effect ninety days from passage.]

AN ACT to amend and reenact sections seventeen, eighteen and twenty-two, article twenty-three, chapter thirty-three of the code of West Virginia, one thousand nine hundred thirty-one, as amended, relating to fraternal benefit societies and authorizing the provision by such societies of a family plan for benefits.

Be it enacted by the Legislature of West Virginia:

That sections seventeen, eighteen and twenty-two, article twenty-three, 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 23. Fraternal Benefit Societies.

Section 17. *Benefits.*—(1) A society licensed in this
2 state may provide for the payment of:

3 (a) death benefits in any form;

4 (b) endowment benefits;

5 (c) annuity benefits;

6 (d) temporary or permanent disability benefits as a
7 result of disease or accident;

8 (e) hospital, medical or nursing benefits due to sick-
9 ness or bodily infirmity or accident;

10 (f) monument or tombstone benefits to the memory
11 of deceased members not exceeding in any case the sum
12 of three hundred dollars.

13 (2) Such benefits may be provided on the lives of mem-
14 bers or, upon application of a member, on the lives of the
15 member's family, including the member, the member's
16 spouse and minor children, in the same or separate certifi-
17 cates.

Sec. 18. *Benefits on Lives of Children.*—(a) A society
2 may provide for benefits on the lives of children under
3 the minimum age for adult membership but not greater

4 than twenty-one years of age at time of application
5 therefor, upon the application of some adult person, as
6 its laws or rules may provide, which benefits shall be in
7 accordance with the provisions of paragraph (1) of sec-
8 tion seventeen of this article. A society may, at its option,
9 organize and operate branches for such children. Mem-
10 bership and initiation in local lodges shall not be required
11 of such children, nor shall they have a voice in the man-
12 agement of the society.

13 (b) A society shall have power to provide for the desig-
14 nation and changing of designation of beneficiaries in the
15 certificates providing for such benefits and to provide in
16 all other respects for the regulation, government and
17 control of such certificates and all rights, obligations and
18 liabilities incident thereto and connected therewith.

Sec. 22. *The Contract.*—(a) Every society licensed in
2 this state shall issue to each benefit member a certificate
3 specifying the amount of benefits provided thereby. The
4 certificate, together with any riders or endorsements
5 attached thereto, the charter or articles of incorporation,
6 the constitution and laws of the society, the application

7 for membership, and declaration of insurability, if any,
8 signed by the applicant, and all amendments to each
9 thereof, shall constitute the agreement, as of the date of
10 issuance, between the society and the member, and the
11 certificate shall so state. A copy of the application for
12 membership and of the declaration of insurability, if any,
13 shall be endorsed upon or attached to the certificate.

14 (b) All statements purporting to be made by the mem-
15 ber shall be representations and not warranties. Any
16 waiver of this provision shall be void.

17 (c) Any changes, additions or amendments to the
18 charter or articles of incorporation, constitution or laws
19 duly made or enacted subsequent to the issuance of the
20 certificate, shall bind the member and the beneficiaries,
21 and shall govern and control the agreement in all respects
22 the same as though such changes, additions or amend-
23 ments had been made prior to and were in force at the
24 time of the application for membership, except that no
25 change, addition, or amendment shall destroy or diminish
26 benefits which the society contracted to give the member
27 as of the date of issuance.

28 (d) Copies of any of the documents mentioned in this
29 section, certified by the secretary or corresponding officer
30 of the society, shall be received as evidence of the terms
31 and conditions thereof.

32 (e) A society shall provide in its constitution or laws
33 and in its certificates that if its reserves as to all or any
34 class of certificates become impaired its board of directors
35 or corresponding body may require that there shall be
36 paid by the member to the society the amount of the
37 member's equitable proportion of such deficiency as as-
38 certained by its board, and that if the payment be not
39 made it shall stand as an indebtedness against the certifi-
40 cate and draw interest not to exceed five per cent per
41 annum compounded annually.

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

W. G. Jasper
Chairman Senate Committee

J. F. Teem
Chairman House Committee

Originated in the Senate.

Takes effect *90 days from* passage.

Howard Meyer
Clerk of the Senate

W. Blankenship
Clerk of the House of Delegates

Ralph Bean
President of the Senate

H. R. Pauley
Speaker House of Delegates

The within *approved* this the *11th*
day of *March*, 1959.

Jeff Henderson
Governor

