

WEST VIRGINIA LEGISLATURE

REGULAR SESSION, 1961



ENROLLED

HOUSE BILL No. 74.....

(By Mr. England.....)



PASSED March 7, 1961

In Effect ninety days from Passage



Filed in Office of the Secretary of State
of West Virginia March 10, 1961
JOE F. BURDETT
SECRETARY OF STATE

24

ENROLLED
House Bill No. 24

(By MR. ENGLAND)

[Passed March 2, 1961; in effect ninety days from passage.]

AN ACT to amend and reenact section four, article twenty, chapter thirty-three of the code of West Virginia, one thousand nine hundred thirty-one, as amended, relating to filing insurance rates.

Be it enacted by the Legislature of West Virginia:

That section four, article twenty, 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:

Section 4. *Rate Filings.*—(a) (1) Every insurer shall
2 file with the commissioner every manual of classifications,
3 rules and rates, every rating plan and every modification of
4 any of the foregoing which it proposes to use for casualty
5 insurance to which this article applies.

6 (2) Every insurer shall file with the commissioner,
7 except as to inland marine risks which by general custom
8 of the business are not written according to manual rates
9 or rating plans, every manual, minimum, class rate, rating
10 schedule or rating plan and every other rating rule and
11 every modification of any of the foregoing which it pro-
12 poses to use for fire and marine insurance to which this
13 article applies. Specific inland marine rates on risks
14 specially rated, made by a rating organization, shall be
15 filed with the commissioner.

16 (b) Every such filing shall state the proposed effective
17 date thereof and shall indicate the character and extent
18 of the coverage contemplated. When a filing is not ac-
19 companied by the information upon which the insurer
20 supports such filing, and the commissioner does not have
21 sufficient information to determine whether such filing
22 meets the requirements of this article, he shall require
23 such insurer to furnish the information upon which it
24 supports such filing and in such event the waiting period
25 shall commence as of the date such information is fur-
26 nished. The information furnished in support of a filing

27 may include (1) the experience or judgment of the in-
28 surer or rating organization making the filing, (2) its
29 interpretation of any statistical data it relies upon, (3)
30 the experience of other insurers or rating organizations
31 or (4) any other relevant factors. A filing and any sup-
32 porting information shall be open to public inspection as
33 soon as the filing is received by the commissioner. Any in-
34 terested party may file a brief with the commissioner sup-
35 porting his position concerning the filing. Any person or
36 organization may file with the commissioner a signed
37 statement declaring and supporting his or its position
38 concerning the filing. Upon receipt of such statement
39 prior to the effective date of the filing, the commissioner
40 shall mail or deliver a copy of such statement to the filer,
41 which may file such reply as it may desire to make. This
42 section shall not be applicable to any memorandum or
43 statement of any kind by any employee of the commis-
44 sioner.

45 (c) An insurer may satisfy its obligation to make such
46 filings by becoming a member of, or a subscriber to, a
47 licensed rating organization which makes such filings,

48 and by authorizing the commissioner to accept such
49 filings on its behalf: *Provided*, That nothing contained
50 in this article shall be construed as requiring any insurer
51 to become a member of or a subscriber to any rating or-
52 ganization.

53 (d) The commissioner shall review filings as soon as
54 reasonably possible after they have been made in order
55 to determine whether they meet the requirements of this
56 article.

57 (e) Subject to the exceptions specified in paragraphs
58 (f) and (g) of this section, each filing shall be on file for
59 a waiting period of thirty days before it becomes effec-
60 tive, which period may be extended by the commissioner
61 for an additional period not to exceed fifteen days if he
62 gives written notice within such waiting period to the
63 insurer or rating organization which made the filing that
64 he needs such additional time for the consideration of
65 such filing. Upon written application by such insurer or
66 rating organization, the commissioner may authorize a
67 filing which he has reviewed to become effective before
68 the expiration of the waiting period or any extension

69 thereof. A filing shall be deemed to meet the require-
70 ments of this article unless disapproved by the com-
71 missioner within the waiting period or any extension
72 thereof.

73 (f) Any special filing with respect to a surety bond
74 required by law or by court or executive order or by
75 order, rule or regulation of a public body, not covered by
76 a previous filing, shall become effective when filed and
77 shall be deemed to meet the requirements of this article
78 until such time as the commissioner reviews the filing
79 and so long thereafter as the filing remains in effect.

80 (g) Specific inland marine rates on risks specially
81 rated by a rating organization shall become effective when
82 filed and shall be deemed to meet the requirements of this
83 article until such time as the commissioner reviews the
84 filing and so long thereafter as the filing remains in
85 effect.

86 (h) Under such rules and regulations as he shall
87 adopt the commissioner may, by written order, suspend or
88 modify the requirement of filing as to any kind of in-
89 surance, subdivision or combination thereof, or as to

90 classes of risks, the rates for which cannot practicably
91 be filed before they are used. Such orders, rules and
92 regulations shall be made known to insurers and rating
93 organizations affected thereby. The commissioner may
94 make such examination as he may deem advisable to
95 ascertain whether any rates affected by such order meet
96 the standards set forth in paragraph (b) of section three
97 of this article.

98 (i) Upon the written application of the insured, stat-
99 ing his reasons therefor, filed with and approved by the
100 commissioner, a rate in excess of that provided by a filing
101 otherwise applicable may be used on any specific risk.

102 (j) No insurer shall make or issue a contract or policy
103 except in accordance with the filings which are in effect
104 for said insurer as provided in this article or in accord-
105 ance with paragraphs (h) or (i) of this section. This
106 paragraph shall not apply to contracts or policies for
107 inland marine risks as to which filings are not required.

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

James Morris, Jr.
Chairman Senate Committee

Mrs. M. M. Withrow
Chairman House Committee

Originated in the House.

Takes effect ninty days from passage.

Thomas Trefler
Clerk of the Senate

A. Blankenship
Clerk of the House of Delegates

Howard W. Pearson
President of the Senate

Julius W. Singletary Jr.
Speaker House of Delegates

The within approved this the Tenth
day of March, 1961.

W. W. Barron
Governor

