WEST VIRGINIA LEGISLATURE
REGULAR SESSION, 1973

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ENROLLED

HOUSE BILL No. 736

Mr. McManus

(By Mr. Corkman)

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PASSED March 4, 1973

In Effect Ninety days from Passage

C 641

736

FILED IN THE OFFICE
EDGAR F. NECKELL III
SECRETARY OF STATE
THIS DATE 3-29-73
AN ACT to amend and reenact sections one and six, article fourteen, chapter thirty-three of the code of West Virginia, one thousand nine hundred thirty-one, as amended; and to further amend said article by adding thereto a new section, designated section five-a, relating to insurance; establishing requirements for and limitations upon group life insurance; relating to exceptions; relating to matters not governed by article; authorizing group life insurance for members of one or more credit unions; establishing requirements for and limitations upon group life insurance for members of one or more credit unions; and relating to limitations upon amount of group life insurance.

Be it enacted by the Legislature of West Virginia:

That sections one and six, article fourteen, chapter thirty-three of the code of West Virginia, one thousand nine hundred thirty-one, as amended, be amended and reenacted; and that said article be further amended by adding thereto a new section, designated section five-a, all to read as follows:

ARTICLE 14. GROUP LIFE INSURANCE.

§33-14-1. Requirements.

1 (a) No life insurance policy or certificate shall be delivered or issued for delivery in this state insuring the lives of more than one individual unless to one of the groups as provided for in sections two to five-a, inclusive, of this article, and unless
in compliance with the other applicable provisions of those sections.

(b) Subsection (a) above, shall not apply to life insurance policies:

(1) Insuring only individuals related by marriage, blood or legal adoption;

(2) Insuring only individuals having a common interest through ownership of a business enterprise, or a substantial legal interest or equity therein, and who are actively engaged in the management thereof; or

(3) Insuring only individuals otherwise having an insurable interest in each other's lives.

c) Nothing in this article validates any charge or practice illegal under any rule of law or regulation governing usury, small loans, retail installment sales, or the like, or extends the application of any such rule of law or regulation to any transaction not otherwise subject thereto.

§33-14-5a. Credit union groups.

The lives of a group of individuals may be insured under a policy issued to a credit union or to the trustees of a fund established by one or more credit unions, which credit union or trustees shall be deemed to be the policyholder for the purpose of this section, for the benefit of some person or persons other than the credit union or credit unions or trustees or any of their officials, and subject to the following requirements:

(1) The members of a credit union eligible for insurance shall be all of the members of the credit union or all of any class or classes thereof determined by conditions pertaining to their age or to their membership in the credit union or to both;

(2) The premium for the policy shall be paid by the policyholder wholly from the funds of the credit union or credit unions or from any fund established by such credit union or credit unions. No part of the premium may be paid from funds contributed by or charged to the insured members specifically for their insurance;

(3) The policy must insure at least twenty-five eligible members at date of issue;

(4) The policy shall, at all times while it is in force, insure all eligible members, excluding any as to whom evidence of
individual insurability is not satisfactory to the insurer; and

(5) The amounts of insurance under the policy must be based upon some plan which precludes individual selection either by the members or by the credit union, the credit unions or the trustees.

§33-14-6. Limitation on amount.

No such policy of group life insurance may be issued to an employer, or to a labor union, or to the trustees of a fund established in whole or in part by an employer or a labor union, which provides term insurance on any person which together with any other term insurance under any group life insurance policy or policies issued to the employer or employers of such person or to a labor union or labor unions of which such person is a member or to the trustees of a fund or funds established in whole or in part by such employer or employers or such labor union or labor unions, exceeds twenty thousand dollars, unless two hundred percent of the annual compensation of such person from his employer or employers exceeds twenty thousand dollars, in which event all such term insurance shall not exceed fifty thousand dollars or two hundred percent of such annual compensation, whichever is the lesser.

No such policy of group life insurance may be issued pursuant to the provisions of section five-a of this article which provides term insurance on any person which together with any other term insurance under any group life insurance policy or policies issued pursuant to the provisions of said section five-a exceeds twenty thousand dollars.
The Joint Committee on Enrolled Bills hereby certifies that the foregoing bill is correctly enrolled.

Chairman Senate Committee

Chairman House Committee

Originated in the House.
Takes effect ninety days from passage.

Clerk of the Senate

Clerk of the House of Delegates

President of the Senate

Speaker House of Delegates

The within approved this the 28th day of March, 1973.

Governor
PRESENTED TO THE GOVERNOR

Date 1/26/73
Time 12:40 p.m.