WEST VIRGINIA LEGISLATURE
REGULAR SESSION, 1977

ENROLLED

SENATE BILL NO. 592

(By Mr. Brantner, President)

PASSED April 4, 1977

In Effect sixty days from passage.
ENROLLED

Senate Bill No. 592

(By Mr. Brotherton, Mr. President)

[Passed April 4, 1977; in effect ninety days from passage.]

AN ACT to amend and reenact section two, article twenty-two, chapter thirty-three of the code of West Virginia, one thousand nine hundred thirty-one, as amended; and to amend and reenact section five, article twenty-six of said chapter, all relating to providing that farmers' mutual fire insurance companies be governed by the West Virginia Insurance Guaranty Association Act.

Be it enacted by the Legislature of West Virginia:

That section two, article twenty-two, chapter thirty-three of the code of West Virginia, one thousand nine hundred thirty-one, as amended, be amended and reenacted; and that section five, article twenty-six of said chapter be amended and reenacted, all to read as follows:

ARTICLE 22. FARMERS' MUTUAL FIRE INSURANCE COMPANIES.

§33-22-2. Other provisions of chapter applicable.

1 Each such company to the same extent such provisions are applicable to domestic mutual insurers shall be governed by and be subject to the following articles of this chapter: Article one (definitions), article two (insurance commissioner), article four (general provisions) except that section sixteen of article four shall not be applicable thereto, article ten (rehabilitation and liquidation) except that under the provisions of section thirty-two of said article ten no assessment shall be levied against any former member of a farmers' mutual fire insurance company who was no longer a member of such company at the time the order to show cause was issued, article
ARTICLE 26. WEST VIRGINIA INSURANCE GUARANTY ASSOCIATION ACT.

§33-26-5. Definitions.

1 As used in this article:

2 (1) “Account” means any one of the two accounts
3 created by section six of this article.

4 (2) “Association” means the West Virginia insurance
5 guaranty association created under section six of this
6 article.

7 (3) “Commissioner” means the insurance commis-
8 sioner of West Virginia.

9 (4) “Covered claim” means an unpaid claim, includ-
10 ing one for unearned premiums, which arises out of and
11 is within the coverage of an insurance policy to which
12 this article applies and which policy is in force at the
13 time of the occurrence giving rise to such unpaid claims
14 if (a) the insurer issuing the policy becomes an insolvent
15 insurer after the effective date of this article and (b)
16 the claimant or insured is a resident of this state at the
17 time of the insured occurrence, or the property from
18 which the claim arises is permanently located in this
19 state. “Covered claim” shall not include (i) any amount
20 in excess of the applicable limits of coverage provided
21 by an insurance policy to which this article applies; nor
22 (ii) any amount due any reinsurer, insurer, insurance
23 pool, or underwriting association, as subrogation re-
24 coveries or otherwise.

25 (5) “Insolvent insurer” means an insurer (a) autho-
26 rized to transact insurance in this state either at the time
27 the policy was issued or when the insured event occurred
28 and (b) determined to be insolvent by a court of com-
29 petent jurisdiction.
(6) “Member insurer” means any person who (a) writes any kind of insurance to which this article applies under section three of this article, including farmers' mutual fire insurance companies and the exchange of reciprocal or interinsurance contracts, and (b) is licensed to transact insurance in this state.

(7) “Net direct written premiums” means direct gross premiums written in this state on insurance policies to which this article applies, less return premiums thereon and dividends paid or credited to policyholders on such direct business. “Net direct written premiums” does not include premiums on contracts between insurers or reinsurers.

(8) “Person” includes an individual, company, insurer, association, organization, society, reciprocal, partnership, syndicate, business trust, corporation, or any other legal entity.

(9) “Receiver” means receiver, liquidator, rehabilitator, or conservator as the context may require.
The Joint Committee on Enrolled Bills hereby certifies that the foregoing bill is correctly enrolled.

James L. Davis
Chairman Senate Committee

Chairman House Committee

Originated in the Senate.

To take effect ninety days from passage.

J. L. Bell
Clerk of the Senate

P. A. Blankenship
Clerk of the House of Delegates

W. T. Burdette, Jr.
President of the Senate

Donald L. cosy
Speaker House of Delegates

The within _______ approved ________ this the _____

day of _______ April ______, 1977.

John D. Riley
Governor
APPROVED AND SIGNED BY THE GOVERNOR

RECEIVED

Apr 7 5 04 PH '77
OFFICE OF THE GOVERNOR

Date April 13, 1977
Time 5:45 P.M.

OFFICE OF THE GOVERNOR

SEYY. OF STATE

77 Apr'13 P4:18
RECEIVED