WEST VIRGINIA LEGISLATURE

REGULAR SESSION, 1988

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ENROLLED

Com. Sub. for

HOUSE BILL No. 4010

(By Mr. Delegate Fuller)

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Passed March 12, 1988

In Effect Ninety Days from Passage
AN ACT to amend and reenact section two, article twelve, chapter thirty-three of the code of West Virginia, one thousand nine hundred thirty-one, as amended, relating to insurance and licensing qualifications for agents, brokers, solicitors or excess line brokers; requiring a certain minimum education standard prior to licensing; and providing for certification of minimum standard.

Be it enacted by the Legislature of West Virginia:

That section two, article twelve, 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 12. AGENTS, BROKERS, SOLICITORS AND EXCESS LINE.

§33-12-2. Qualifications.

1 For the protection of the people of West Virginia, the commissioner shall not issue, renew or permit to exist any agent's, broker's or solicitor's license except to an individual who:

5 (a) Is eighteen years of age or more.

6 (b) Is a resident of West Virginia, except that a
broker's license shall be issued only to nonresidents, and except for nonresident life and accident and sickness agents as provided in section eight of this article.

(c) Is, in the case of an agent applicant, appointed as agent by a licensed insurer for the kind or kinds of insurance for which application is made, subject to issuance of license, or, in the case of a solicitor applicant, appointed as solicitor by a licensed resident agent, subject to issuance of license.

d) Does not intend to use the license principally for the purpose, in the case of life or accident and sickness insurance, of procuring insurance on himself, members of his family or his relatives; or, as to insurance other than life and accident and sickness, upon his property or insurable interests of those of his family or his relatives or those of his employer, employees or firm, or corporation in which he owns a substantial interest, or of the employees of such firm or corporation, or on property or insurable interests for which the applicant or any such relative, employer, firm or corporation is the trustee, bailee or receiver. For the purposes of this provision, a vendor's or lender's interest in property sold or being sold under contract or which is the security for any loan, shall not be deemed to constitute property or an insurable interest of such vendor or lender.

(e) Satisfies the commissioner that he is trustworthy and competent. The commissioner may test the competency of an applicant for a license under this section by examination. Each examinee shall pay a twenty-five dollar examination fee for each examination to the commissioner who shall deposit said examination fee into the state treasury for the benefit of the state fund, general revenue. The commissioner may, at his discretion, designate an independent testing service to prepare and administer such examination subject to direction and approval by the commissioner, and examination fees charged by such service shall be paid by the applicant.

(f) For new agents first licensed on or after the first day of July, one thousand nine hundred eighty-nine, completes a program of insurance education as estab-
lished below.

There is hereby created the board of insurance agent education. The board of insurance agent education shall consist of the commissioner of insurance and six members appointed by the commissioner. The members appointed by the commissioner shall be two licensed property and casualty insurance agents, one licensed life insurance agent, one licensed health and accident insurance agent, one representative of a domestic insurance company, and one representative of a foreign insurance company. Each member shall serve a term of three years and shall be eligible for reappointment.

(1) The board of insurance agent education shall establish the criteria for a program of insurance education and submit the proposal for the approval of the commissioner on or before the thirty-first day of December of each year.

(2) The commissioner and the board, under standards established by the board, may approve any course or program of instruction developed or sponsored by an authorized insurer, accredited college or university, agents association, insurance trade association, or independent program of instruction that presents the criteria and the number of hours that the board and commissioner determine appropriate for the purpose of this article: Provided, That any person who was a licensed agent, broker or solicitor on the first day of July, one thousand nine hundred eighty-nine, and who subsequently terminates the contractual relationship with the insurer or employing agent, may have that license renewed within five years of such termination without complying with the competency testing provisions of subdivision (f) of the education provisions of subdivision (f) of this section.
Enr. Com. Sub. for H. B. 4010] 4

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

[Lawn O. Williams
Chairman Senate Committee

Bernard V. Kelly
Chairman House Committee

Originating in the House.

Takes effect ninety days from passage.

[L. C. Wells
Clerk of the Senate

[Donald L. Kopp
Clerk of the House of Delegates

[John Torbett
President of the Senate

[Robert C. Byrd
Speaker of the House of Delegates

The within was approved this the 89th day of March, 1988.

[Andrea D. Mazurk
Governor