WEST VIRGINIA LEGISLATURE
REGULAR SESSION, 1988

ENROLLED

Com. Sub. for
HOUSE BILL No. 4084

(By Mr. Del Anderson)

Passed .................. March 12, 1988

In Effect ........ Ninety Days From Passage
AN ACT to amend chapter thirty-three of the code of West Virginia, one thousand nine hundred thirty-one, as amended, by adding thereto a new article, designated article twelve-b, relating to insurance; requiring insurance adjusters to be licensed; qualifications; fees; applications; renewal of license; violations; and penalties.

Be it enacted by the Legislature of West Virginia:

That chapter thirty-three of the code of West Virginia, one thousand nine hundred thirty-one, as amended, be amended by adding thereto a new article, designated article twelve-b, to read as follows:

ARTICLE 12B. ADJUSTERS.

§33-12B-1. “Adjuster” defined.

1 (a) An “adjuster” is any individual who, for compensation, fee or commission, investigates and settles claims arising under property casualty or surety insurance contracts, on behalf solely of either the insurer or insured.
(b) A licensed attorney who is qualified to practice law in this state is deemed not to be an adjuster for the purposes of this article.

§33-12B-2. “Company” and “public” adjuster defined.

(a) “Company adjuster” means an adjuster representing the interests of the insurer, including independent contractors with and salaried employee of the insurer.

(b) “Public adjuster” means an independent contractor representing solely the financial interests of the insured named in the policy as an adjuster.


The commissioner shall license an individual as either a company adjuster or a public adjuster. An individual may be licensed concurrently under the same license or separate licenses as a company adjuster and as a public adjuster but shall not act as a company adjuster and a public adjuster with respect to the same claim.

§33-12B-4. License required.

No person shall in West Virginia act as or hold himself out to be an adjuster unless then licensed therefor pursuant to this article.

§33-12B-5. Qualifications.

For the protection of the people of West Virginia, the commissioner shall not issue, renew or permit to exist any adjuster’s license except to an individual who:

(a) Is eighteen years of age or more.

(b) Is a resident of West Virginia, except for nonresident adjusters as provided in section nine of this article.

(c) Satisfies the commissioner that he is trustworthy and competent. The commissioner may, at his discretion, test the competency of an applicant for a license under this section by examination. If such examination is required by the commissioner, each examinee shall pay a twenty-five dollar examination fee for each examina-
tion to the commissioner which fees shall be used for the
purposes set forth in section thirteen, article three of
this chapter. 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.

(d) Any applicant who is engaged in the practice of
professional insurance adjusting prior to the first day of
July, one thousand nine hundred eighty-nine shall be
exempt from the examination requirement of subdivi-

§33-12B-6. Application.

(a) Application for an adjuster's license or renewal
thereof shall be made to the commissioner upon a form
prescribed by him and shall contain such information
and be accompanied by such supporting documents as
the commissioner may require, and the commissioner
may require such application to be made under the
applicant's oath.

(b) Wilful misrepresentation of any fact in any such
application or any documents in support thereof is a
violation of this chapter.

§33-12B-7. Issuance of license.

The commissioner may issue a license to any individ-
ual as an adjuster who complies with the applicable
provisions of this chapter and who in the opinion of the
commissioner is trustworthy and competent.

§33-12B-8. License fee.

The fee for an adjuster's license shall be twenty-five
dollars as provided in section thirteen, article three of
this chapter, except that when any other state imposes
a tax, bond, fine, penalty, license fee or other obligation
or prohibition on adjusters resident in this state, the
same tax, bond, fine, penalty, license fee or other
obligation or prohibition shall be imposed upon adjus-
ters (where licensing of nonresident adjusters is
permitted under this article) of each other state licensed
or seeking a license in this state. All fees and moneys so collected shall be used for the purposes set forth in section thirteen, article three of this chapter.

§33-12B-9. Licensing of nonresident adjusters.

An individual otherwise complying with the provisions of this chapter, who is a resident of another state and who is a licensed adjuster of such state, may be licensed as a nonresident adjuster in this state, if the state of resident of such nonresident has established, by law or regulation like requirements for the licensing of a resident of this state as a nonresident adjuster.

§33-12B-10. Expiration of license; renewal.

All licenses of adjusters shall expire at midnight on the May thirty-first next following the date issuance. The commissioner shall renew annually the license of all such licensee who qualify and make application therefor.

§33-12B-11. Revocation, suspension or refusal to renew license; penalty in lieu thereof.

Whenever, after notice and hearing, the commissioner is satisfied that any adjuster has violated any provision of this chapter, or is incompetent or untrustworthy, he shall revoke, suspend, or, if renewal of license is pending, refuse to renew the license of such adjuster. In addition to revoking, suspending, refusing to renew such license, the commissioner may in his discretion order such licensee to pay to the state of West Virginia, an administrative penalty in a sum not to exceed one thousand dollars.

§33-12B-12. Rules and regulations.

The commissioner is authorized to promulgate such rules and regulations as are necessary to effectuate the provisions of this article. Such rules and regulations shall be promulgated and adopted pursuant to the provisions of chapter twenty-nine-a of this code.

§33-12B-13. Effective date.

The provisions of the article shall become effective on
the first day of July, one thousand nine hundred eighty-nine except that the commissioner may on and after the first day of July, one thousand nine hundred eighty-eight, promulgate rules and regulations pursuant to section twelve of this article.
The Joint Committee on Enrolled Bills hereby certifies that the foregoing bill is correctly enrolled.

Bruce O. Alexander  
Chairman Senate Committee

Bernard V. Kelly  
Chairman House Committee

Originating in the House.

Takes effect ninety days from passage.

Jeff A. Hub  
Clerk of the Senate

Donald L. Kopp  
Clerk of the House of Delegates

Dan Torbin  
President of the Senate

Joseph J. Bob Modern  
Speaker of the House of Delegates

The within is approved this the 20th day of March, 1988.  
Governor
PRESENTED TO THE
GOVERNOR
Date 3/23/88
Time 3:44 p.m.