WEST VIRGINIA LEGISLATURE

REGULAR SESSION, 1994

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ENROLLED

HOUSE BILL No. H384

(By Delegates S. Williams, Staton, Beane, DAVIS and HANIGAN)

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Passed March 12, 1994

In Effect 90 Days After Passage
AN ACT to amend article twelve, chapter thirty-three of the code of West Virginia, one thousand nine hundred thirty-one, as amended, by adding thereto a new section, designated section thirty-two, relating to requiring insurance companies withdrawing from writing private passenger automobile insurance within the state to continue to appoint and pay agents who service surviving policies for a period of two years from the date of termination of the contractual relationship for those renewal policies which the agent continues to service; and limitations.

Be it enacted by the Legislature of West Virginia:

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

ARTICLE 12. AGENTS, BROKERS, SOLICITORS AND EXCESS LINE.

§33-12-32. Termination of contractual relationship; continuation of certain commissions; exceptions.

1 (a) In the event of a termination of a contractual
relationship between a duly licensed insurance agent
and an automobile insurer of private passenger automo-
biles who is withdrawing from writing private pas-
senger automobile insurance within the state, the
insurer shall pay the agent a commission, equal to the
commission the agent would have otherwise been
entitled to under his or her contract with the insurer,
for a period of two years from the date of termination
of the contractual relationship for those renewal policies
that cannot otherwise be canceled or nonrenewed
pursuant to law, which policies the agent continues to
service. The insurer must continue the appointment of
the agent for the duration of time the agent continues
to service the business: Provided, That this requirement
shall not obligate the withdrawing insurer to accept any
new private passenger automobile insurance within the
state.

(b) Subsection (a) of this section does not apply to an
agent who is an employee of the insurer, or an agent as
defined by article twelve-a of this chapter, or an agent,
who by contractual agreement either represents only
one insurer or group of affiliated insurers or who is
required by contract to submit risks to a specified
insurer or group of affiliated insurers prior to submit-
ting them to others.
The Joint Committee on Enrolled Bills hereby certifies that the foregoing bill is correctly enrolled.

Chairman Senate Committee

[Signature]

Chairman House Committee

[Signature]

Originating in the House.

Takes effect ninety days from passage.

Clerk of the Senate

[Signature]

Clerk of the House of Delegates

[Signature]

President of the Senate

[Signature]

Speaker of the House of Delegates

[Signature]

The within is approved this the 29th day of [Month] 1994.

[Signature] Governor