

WEST VIRGINIA LEGISLATURE

2016 REGULAR SESSION

ENROLLED

House Bill 4734

(BY DELEGATES MCCUSKEY, SHOTT, DEEM, SOBONYA,
FOLK, FAST, MANCHIN, MOORE, FLUHARTY, FLEISCHAUER
AND CAPUTO)

[Passed March 11, 2016; in effect October 1, 2016.]

1 AN ACT to amend and reenact §33-30-6 and §33-30-8 of the Code of West Virginia, 1931, as
2 amended, all relating to mine subsidence insurance; increasing the maximum amount of
3 total insured value reinsured by Board of Risk and Insurance Management; and deleting
4 threshold provision for loss coverage.

Be it enacted by the Legislature of West Virginia:

1 That §33-30-6 and §33-30-8 of the Code of West Virginia, 1931, as amended, be
2 amended and reenacted, all to read as follows:

ARTICLE 30. MINE SUBSIDENCE INSURANCE.

§33-30-6. Mine subsidence coverage; waivers.

1 Beginning October 1, 1982, every insurance policy issued or renewed insuring on a direct
2 basis a structure located in this state shall include, at a separately stated premium, insurance for
3 loss occurring on or after October 1, 1982, caused by mine subsidence unless waived by the
4 insured: A waiver is not required and the coverage may only be provided if requested by the
5 insured in the following counties: Berkeley, Cabell, Calhoun, Hampshire, Hardy, Jackson,
6 Jefferson, Monroe, Morgan, Pendleton, Pleasants, Ritchie, Roane, Wirt, and Wood: The effective
7 date of a new policy or endorsement containing mine subsidence insurance coverage shall be on
8 the thirtieth calendar day after the application date. The premium charged for coverage shall be
9 set by the board. At no time may the deductible be less than \$250 nor more than \$500; and total
10 insured value reinsured by the board may not exceed \$200,000. In no event may the amount of
11 mine subsidence reinsurance exceed the amount of the fire insurance on the structure.

§33-30-8. Reinsurance agreements.

1 All companies authorized to write fire insurance in this state shall enter into a reinsurance
2 agreement with the board in which each insurer agrees to cede to the board one hundred percent,
3 up to \$200,000, of any subsidence insurance coverage issued and, in consideration of the ceding
4 commission retained by the insurer, agree to absorb all expenses of the insurer necessary for
5 sale of policies and any administration duties of the mine subsidence insurance program imposed

6 upon it pursuant to the terms of the reinsurance agreement. The board is authorized to undertake
7 adjustment of losses and administer the fund, or it may provide in a reinsurance agreement that
8 the insurer do so. The board shall agree to reimburse the insurer from the fund for all amounts
9 paid policyholders for claims resulting from mine subsidence and shall pay from the fund all costs
10 of administration incurred by the board but an insurer is not required to pay any claim for any loss
11 insured under this article except to the extent that the amount available in the mine subsidence
12 insurance fund, as maintained pursuant to sections four and five of this article, is sufficient to
13 reimburse the insurer for such claim under this section, and without moral obligation.

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

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Chairman, House Committee

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Chairman, Senate Committee

Originating in the House.

In effect October 1, 2016.

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Clerk of the House of Delegates

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Clerk of the Senate

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Speaker of the House of Delegates

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President of the Senate

The within this the.....
day of, 2016.

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Governor