

WEST VIRGINIA LEGISLATURE

2024 REGULAR SESSION

Committee Substitute

for

Senate Bill 685

BY SENATOR NELSON

[Originating in the Committee on Banking and
Insurance; reported February 20, 2024]

1 A BILL to amend and reenact §29-12-3 of the Code of West Virginia, 1931, as amended, relating
2 to the creation, composition, qualifications, and compensation of the State Board of Risk
3 and Insurance Management; continuing the board; providing for voting membership of the
4 board; providing qualifications of members; providing procedures for appointment of
5 members; providing initial appointment terms of members; providing terms of subsequent
6 appointment of members; providing procedures for vacancy, expiration of term, and
7 removal of members; providing end date for term of members appointed prior to the
8 effective date of the reenactment of this section; authorizing reappointment of any qualified
9 member appointed prior to the effective date of the reenactment; providing that Insurance
10 Commissioner shall serve as non-voting board secretary; and providing for compensation
11 of board members.

Be it enacted by the Legislature of West Virginia:

ARTICLE 12. STATE INSURANCE.

§29-12-3. State Board of Risk and Insurance Management; creation, composition, qualifications, and compensation.

1 ~~(a)(1) The "state board of insurance of West Virginia" is hereby reestablished,~~
2 ~~reconstituted and continued as the state Board of Risk and Insurance Management. The board~~
3 ~~shall be composed of five members. One member shall be the vice chancellor of health sciences~~
4 ~~of the West Virginia Higher Education Policy Commission. The remaining four members shall be~~
5 ~~appointed by the Governor with the advice and consent of the Senate. One member shall be~~
6 ~~appointed by the Governor from a list of three eligible persons submitted to the Governor by the~~
7 ~~President of the Senate, and one member shall be appointed by the Governor from a list of three~~
8 ~~eligible persons submitted to the Governor by the Speaker of the House of Delegates. Each~~
9 ~~member shall be a resident of West Virginia and shall have experience in one or more of the~~
10 ~~following areas: law, accounting, business, insurance or actuarial science.~~

11 ~~(2) Initial appointment of the members other than the vice chancellor for health sciences~~
12 ~~shall be for the following terms:~~

13 ~~One member shall be appointed for a term ending June 30, 2003;~~

14 ~~One member shall be appointed for a term ending June 30, 2004;~~

15 ~~One member shall be appointed for a term ending June 30, 2005; and~~

16 ~~One member shall be appointed for a term ending June 30, 2006.~~

17 ~~(3) Except for appointments to fill vacancies, each subsequent appointment shall be for a~~
18 ~~term ending June 30 of the fourth year following the year the preceding term expired. In the event~~
19 ~~a vacancy occurs it shall be filled by appointment for the unexpired term. A member whose term~~
20 ~~has expired shall continue in office until a successor has been duly appointed and qualified. No~~
21 ~~member of the board may be removed from office by the Governor except for official misconduct,~~
22 ~~incompetency, neglect of duty, or gross immorality.~~

23 ~~(4) Members of the board appointed prior to the reenactment of this article during the sixth~~
24 ~~extraordinary session of the 2001 Legislature, shall serve until December 15, 2001.~~

25 ~~(b) The Insurance Commissioner of West Virginia shall serve as secretary of the board~~
26 ~~without vote and shall make available to the board the information, facilities and services of the~~
27 ~~office of the state Insurance Commissioner.~~

28 ~~(c) The members of the board shall receive from the executive director of the board the~~
29 ~~same compensation authorized by law for members of the Legislature for the interim duties for~~
30 ~~each day, or portion thereof, the member is engaged in the discharge of official duties. All board~~
31 ~~members shall be reimbursed for their actual and necessary expenses incurred in the discharge~~
32 ~~of official duties, except that mileage shall be reimbursed at the same rate as that authorized for~~
33 ~~members of the Legislature.~~

34 ~~(d) Notwithstanding any provision of this section to the contrary, the board is subject to the~~
35 ~~provisions of section twelve of this article~~

36 (a) The State Board of Risk and Insurance Management is hereby continued. Effective
37 July 1, 2024, the board shall be composed of five voting members:

38 (1) The chancellor of the West Virginia Higher Education Policy Commission, or his or her
39 designee; and

40 (2) Four members with at least 10 years of experience in the insurance industry who shall
41 be appointed by the Governor with the advice and consent of the Senate: *Provided*, That one
42 member shall be appointed by the Governor from a list of three eligible persons submitted to the
43 Governor by the President of the Senate, and one member shall be appointed by the Governor
44 from a list of three eligible persons submitted to the Governor by the Speaker of the House of
45 Delegates.

46 (b) Initial appointment of the members shall be for the following terms:

47 (1) One member shall be appointed for a term ending June 30, 2026;

48 (2) One member shall be appointed for a term ending June 30, 2027;

49 (3) One member shall be appointed for a term ending June 30, 2028; and

50 (4) One member shall be appointed for a term ending June 30, 2029.

51 (c) Except for appointments to fill vacancies, each subsequent appointment of a member
52 shall be for a term ending June 30 of the fourth year following the year the preceding term expired.

53 In the event a vacancy occurs it shall be filled by appointment for the unexpired term. A member
54 whose term has expired shall continue in office until a successor has been duly appointed and
55 qualified. No member of the board may be removed from office by the Governor except for official
56 misconduct, incompetency, neglect of duty, or gross immorality.

57 (d) Members of the board appointed prior to the effective date of the reenactment of this
58 section during the 2024 regular session of the Legislature shall serve until June 30, 2024:

59 *Provided*, That any member of the board appointed prior to the effective date of the reenactment
60 of this section during the 2024 regular session of the Legislature who meets the experience
61 requirement of this section as reenacted may be reappointed to serve on the board.

62 (e) The Insurance Commissioner of West Virginia shall serve as secretary of the board
63 without vote and shall make available to the board the information, facilities, and services of the
64 office of the State Insurance Commissioner.

65 (f) The members of the board shall receive from the executive director of the board the
66 same compensation authorized by law for members of the Legislature for the interim duties for
67 each day, or portion thereof, the member is engaged in the discharge of official duties. All board
68 members shall be reimbursed for their actual and necessary expenses incurred in the discharge
69 of official duties, except that mileage shall be reimbursed at the same rate as that authorized for
70 members of the Legislature.