

WEST VIRGINIA LEGISLATURE

2016 REGULAR SESSION

Introduced

Senate Bill 278

BY SENATORS FERNS, TAKUBO, WALTERS, STOLLINGS

AND PALUMBO

[Introduced January 14, 2016; Referred
to the Committee on Banking and Insurance; and then to
the Committee on the Judiciary.]

1 A BILL to amend and reenact §33-20F-4 of the Code of West Virginia, 1931, as amended, relating
 2 to clarifying that Physicians' Mutual Insurance Company is not a state actor or a quasi-
 3 state actor allowing it to operate as any other commercial insurance company licensed in
 4 West Virginia.

Be it enacted by the Legislature of West Virginia:

1 That §33-20F-4 of the Code of West Virginia, 1931, as amended, be amended and
 2 reenacted to read as follows:

ARTICLE 20F. PHYSICIANS' MUTUAL INSURANCE COMPANY.

§33-20F-4. Authorization for creation of company; requirements and limitations.

1 (a) Subject to the provisions of this article, a Physicians' Mutual Insurance Company may
 2 be created as a domestic, private, nonstock corporation. The company must remain for the
 3 duration of its existence a domestic mutual insurance company owned by its policyholders and
 4 may not be converted into a stock corporation or any other entity not owned by its policyholders.

5 (b) For the duration of its existence, the company is not and may not be considered a
 6 department, unit, agency, or an instrumentality of the state, a state actor, quasi-state actor or
 7 quasi-public entity for any purpose. All debts, claims, obligations, and liabilities of the company,
 8 whenever incurred, are the debts, claims, obligations, and liabilities of the company only and not
 9 of the state or of any department, unit, agency, instrumentality, officer or employee of the state.

10 (c) The moneys of the company are not and may not be considered part of the General
 11 Revenue Fund of the state. The debts, claims, obligations, and liabilities of the company are not
 12 and may not be considered a debt of the state or a pledge of the credit of the state.

13 (d) The company is not subject to provisions of article nine-a, chapter six of this code or
 14 the provisions of article one, chapter twenty-nine-b of this code.

15 (e) All premiums collected by the company are subject to the premium taxes, additional
 16 premium taxes, additional fire and casualty insurance premium taxes and surcharges contained
 17 in sections fourteen, fourteen-a, fourteen-d and thirty-three, article three of this chapter.

NOTE: The purpose of this bill is to clarify that the Physicians' Mutual Insurance Company is not a state actor or a quasi-state actor allowing it to operate as any other commercial insurance company licensed in West Virginia.

Strike-throughs indicate language that would be stricken from a heading or the present law, and underscoring indicates new language that would be added.