

# **WEST VIRGINIA LEGISLATURE**

## **2020 REGULAR SESSION**

**Introduced**

### **Senate Bill 239**

BY SENATOR IHLENFELD

[Introduced January 9, 2020; referred  
to the Committee on Banking and Insurance; and then  
to the Committee on the Judiciary]

1 A BILL to amend the Code of West Virginia, 1931, as amended, by adding thereto a new section,  
 2 designated §21-11-6a; and to amend and reenact §21-11-15 of said code, all relating to  
 3 requiring general contractors to have and maintain general liability insurance; setting  
 4 policy minimums; and permitting the Insurance Commissioner to increase those policy  
 5 minimums.

*Be it enacted by the Legislature of West Virginia:*

**ARTICLE 11. WEST VIRGINIA CONTRACTOR LICENSING ACT.**

**§21-11-6a. Insurance.**

1 (a) Each licensee shall have and maintain in effect commercial general liability insurance,  
 2 which includes premises and operations insurance and products and completed operations  
 3 insurance, with limits of at least \$100,000 per occurrence, \$300,000 aggregate limit for bodily  
 4 injury, and property damage insurance with limits of at least \$25,000 or a policy with a single limit  
 5 for bodily injury and property damage of \$300,000 per occurrence and \$300,000 aggregate limits.

6 (b) The insurance required by subsection (a) of this section must be written by an insurer  
 7 licensed to do business in this state.

8 (c) Each licensee shall maintain on file with the board a certificate evidencing the  
 9 insurance. In the event of a policy cancellation, the insurer shall send written notice to the board  
 10 at the same time that a cancellation request is received from or a notice is sent to the insured.

11 (d) The commissioner may increase the minimum amount of insurance required for any  
 12 licensee if the commissioner considers it to be in the public interest and necessary to protect the  
 13 interests of West Virginia consumers.

**§21-11-15. Administrative duties of division.**

1 (a) The division and commissioner shall perform the following administrative duties:

- 2 (1) Collect and record all fees;
- 3 (2) Maintain records and files;
- 4 (3) Issue and receive application forms;

- 5 (4) Notify applicants of the results of the board examination;
- 6 (5) Arrange space for holding examinations and other proceedings;
- 7 (6) Issue licenses and temporary licenses as authorized by this article;
- 8 (7) Issue duplicate licenses upon submission of a written request by the licensee attesting
- 9 to loss of or the failure to receive the original and payment by the licensee of a fee established by
- 10 regulation adopted by the division;
- 11 (8) Notify licensees of renewal dates at least 30 days before the expiration date of their
- 12 license;
- 13 (9) Answer routine inquiries;
- 14 (10) Maintain files relating to individual licensees;
- 15 (11) Arrange for printing and advertising;
- 16 (12) Purchase supplies;
- 17 (13) Employ additional help when needed;
- 18 (14) Perform other services that may be requested by the board;
- 19 (15) Provide inspection, enforcement and investigative services to the board; and
- 20 (16) Issue cease and desist orders to persons engaging in contracting within the state
- 21 without a valid license.
- 22 (b) All authority not specifically delegated to the commissioner and division shall be the
- 23 responsibility of the board.
- 24 (c) Following successful completion of the examination, and prior to the issuance of the
- 25 license, the applicant shall certify by affidavit that the applicant:
- 26 (1) Is in compliance with the business franchise tax provisions of chapter 11 of this code;
- 27 (2) Has registered, and is in compliance, with the workers' compensation fund and the
- 28 employment security fund, as required by chapters 23 and 21A of this code; ~~and~~
- 29 (3) Is in compliance with the insurance requirements contained in §21-11-6a of this code;
- 30 and

31           ~~(3)~~ (4) Is in compliance with the applicable wage bond requirements of §21-5-1 of this  
32 code: *Provided*, That in the case of an out-of-state contractor not doing business in this state and  
33 seeking licensure for bidding purposes only, the applicant may be granted a conditional license  
34 for bid purposes only.

NOTE: The purpose of this bill is to require general contractors to have and maintain general liability insurance. The bill sets policy minimums, and permits the Insurance Commissioner to increase those policy minimums.

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