

**H. B. 2557**

1  
2  
3  
4  
5  
6  
7  
8  
9

(By Delegates Walters, Westfall, Pasdon, Moffatt, Morgan, Perry,  
Hartman, McCuskey, Frich, Storch and H. White)

[Introduced February 2, 2015; referred to the  
Committee on Banking and Insurance then the Judiciary.]

10 A BILL to amend and reenact §33-6-29 of the Code of West Virginia, 1931, as amended, relating  
11 generally to motor vehicle insurance policies and coverage provided for rented or leased  
12 motor vehicles; clarifying that an insured driver of a motor vehicle is covered by the driver's  
13 auto insurance policy when renting or leasing a vehicle; and providing that if the renter of  
14 a vehicle does not have auto insurance coverage, the rental or leasing car company is the  
15 provider of security.

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

17 That §33-6-29 of the Code of West Virginia, 1931, as amended, be amended and reenacted  
18 to read as follows:

19 **ARTICLE 6. THE INSURANCE POLICY.**

20 **§33-6-29. Motor vehicle policy; injuries to guest passengers; coverage for loaned or leased**  
21 **motor vehicles; exceptions.**

22 (a) An insurer ~~shall~~ may not issue any policy of bodily injury or property damage liability  
23 insurance which excludes coverage to the owner or operator of a motor vehicle on account of bodily

1 injury or property damage to any guest or invitee who is a passenger in such motor vehicle.

2 (b) Every policy or contract of liability insurance which insures a motor vehicle licensed in  
3 this state with collision, comprehensive, property or bodily injury coverage shall extend these  
4 coverages to cover the insured individual while operating a motor vehicle which he or she is  
5 permitted to use by a person, firm or corporation that owns the vehicle and is engaged in the business  
6 of selling, repairing, leasing or servicing motor vehicles. Coverage under any motor vehicle  
7 insurance policy available to such insured individual shall be primary, and any collision,  
8 comprehensive, property or bodily injury insurance coverage owned or obtained by a person, firm  
9 or corporation that owns the motor vehicle and is engaged in the business of selling, repairing,  
10 leasing or servicing motor vehicles shall be secondary. Recovery under the motor vehicle owner's  
11 insurance policy shall not be permitted until the insured individual has exhausted the limits of all  
12 other insurance policies available to him or her: *Provided*, That the following conditions are met:  
13 (1) No separate consideration is paid by or on behalf of the insured individual at the time of his or  
14 her use of the vehicle; and (2) the insured individual is operating the vehicle with the business  
15 owner's permission as a replacement vehicle provided to the insured individual while his or her  
16 vehicle is out of use because it is being repaired or serviced by the business owner or another person  
17 with the permission of the business owner.

18 (c) Notwithstanding any provision of this section to the contrary, any insurance coverage  
19 available to the insured individual as described in ~~the foregoing paragraph~~ subsection (b) of this  
20 section shall be secondary to any motor vehicle liability insurance owned or obtained by the person,  
21 firm or corporation engaged in the business of selling, repairing, leasing or servicing motor vehicles,  
22 if the insured individual is an employee of the business owner and is operating the motor vehicle

1 with the permission of the business owner while acting within the scope of his or her employment  
2 or the insured individual is testing the vehicle for possible purchase or for a lease with more than a  
3 thirty-day term.

4 (d) Security maintained by any person, firm or corporation engaged in the business of renting  
5 or leasing motor vehicles applies only when there is no other valid and collectible motor vehicle  
6 liability insurance or other form of security available to an insured individual with respect to the  
7 renting, leasing, operation, maintenance or use of the motor vehicles. Coverage under any motor  
8 vehicle liability insurance or other form of security available to an insured individual with respect  
9 to the renting, leasing, operation, maintenance or use of a motor vehicle owned by any person, firm  
10 or corporation engaged in the business of renting or leasing motor vehicles shall satisfy the security  
11 required by section three, article two-a, chapter seventeen-d of this code, and section two, article four  
12 of said chapter.

13 (e) Nothing in this section, section three, article two-a, chapter seventeen-d of this code, or  
14 section two, article four of said chapter may be construed to prohibit a person, firm or corporation  
15 that owns a motor vehicle and is engaged in the business of renting or leasing motor vehicles from  
16 entering into a contractual agreement with a person whereby the person agrees to be solely  
17 responsible for maintaining proof of financial responsibility, in accordance with section three, article  
18 two-a, chapter seventeen-d of this code, and section two, article four of said chapter, with respect  
19 to the operation, maintenance, or use of the motor vehicle.

NOTE: The purpose of this bill is to clarify that an insured driver of a motor vehicle is covered by the driver's auto insurance policy when renting or leasing a vehicle. If the renter of a vehicle does not have auto insurance coverage, the rental or leasing car company is the provider of security.

Strike-through indicates language that would be stricken from the present law, and underscoring indicates new language that would be added.