NOTICE OF RULE MODIFICATION

AGENCY: State Board of Risk and Insurance Management

LEGISLATIVE RULE: Regulations Governing The Mine Subsidence Insurance Program

The above titled rule has been modified as a result of comments by the Legislative Rule Making Review Committee and the attached modifications have been incorporated into the above titled rule and filed with the Secretary of State's office on December 8, 1986.

Rich O. Hartman, Dir.
Admin. Law Div.

FILED IN THE OFFICE OF
THE SECRETARY OF STATE
THIS DATE Dec. 8, 1986
ADMINISTRATIVE LAW DIVISION

STATE OF WEST VIRGINIA

OFFICE OF THE ATTORNEY GENERAL

CHARLESTON 25305

CHARLIE BROWN
ATTORNEY GENERAL

December 4, 1986

Mr. Richard O. Hartman, Director
Administrative Law Division
Secretary of State's Office
State Capitol
Charleston, West Virginia 25305

Re: West Virginia Code of State Regulations
(State Board of Risk and Insurance Management)

Dear Mr. Hartman:

Enclosed please find a copy of "Regulations Governing the Mine Subsidence Insurance Program," together with Appendices A-F. The appendices were omitted from the previous filing of December 2, 1986.

These regulations were authorized by the Legislative Rule-Making Review Committee on October 9, 1986.

Very truly yours,

Paul Richard Hull

PAUL RICHARD HULL
SENIOR ASSISTANT ATTORNEY GENERAL

PRH/jm

cc: Robert S. Corey

Modification
~~EMERGENCY~~
WEST VIRGINIA LEGISLATIVE RULE
WEST VIRGINIA BOARD OF
RISK AND INSURANCE MANAGEMENT
CHAPTER 33-30
SERIES II

FILED 1985 DEC -8 PM 3:37

Title: Regulations governing the Mine Subsidence Insurance Program.

Section 2:06.

Structure - Means any dwelling, building or fixture permanently affixed to realty located in West Virginia, including basements, footings, foundations, septic systems and underground pipes directly servicing the dwelling or building, but does not include driveways sidewalks, parking lots, land, trees, plants, crops or ~~industrial-and-commercial buildings~~ agricultural field drainage tile.

3:01. Date Coverage to be Offered Waiver - On and after ~~February-28,-1983~~ the effective date of this rule, all insurance policies issued in the State of West Virginia by Insurance Companies subject to this regulation, that provide fire insurance on structures eligible for mine subsidence insurance, shall include coverage for mine subsidence insurance unless such insurance is ~~requested~~ waived by the insured. Such waiver shall conform to the requirements of Section 3:10 of these regulations.

3:02. Amount of Insurance - Each policy issued pursuant to this regulation shall provide ~~$50,000~~ up to $75,000 of Mine Subsidence Insurance in an amount not to exceed the amount of fire insurance on the structure.

3:03. Premium Rate - The premium rate schedule ~~will-be~~ established ~~from-time-to-time~~ by the Board ~~with-the-approval of-the-Insurance-Commissioner-of-West-Virginia~~ is attached hereto as Appendix C. For the purpose of selecting rates a Non-Dwelling structure in defined as a building not used principally for residential purposes or which houses more than four family units.

3:04. Coverage Form - Each policy issued pursuant to this regulation shall include coverage Form ~~33-30~~ WVMS -1 (Ed. 7-85) Coal Mine Subsidence Coverage Part (Dwelling

Structure) or coverage Form WVMS-2 (Ed. 7-85), Coal Mine Subsidence Coverage Part (Non-Dwelling Structure). Refer to Appendix A and B respectively, for coverage part working. ~~This form has~~ These forms have been approved by the Insurance Commissioner of West Virginia and their use is recommended by the Board and said forms may be reproduced under the Insurance Company's name.

3:05. Structures Eligible for Mine Subsidence Insurance - In establishing permanent regulations the Board has determined that ~~only~~ dwelling structures ~~which are owner occupied and contain four (4) or less family units~~ and non-dwelling structures are eligible for mine subsidence insurance.

3:09. Reinsurance Agreement - Each Insurance company subject to this Regulation shall enter into a Reinsurance Agreement with the Board. Refer to Appendix ~~C~~ F for the working of the Reinsurance Agreement.

3:10. Waivers - all insurance policies written after the effective date of this rule, and subject to this regulations shall include Coal Mine Subsidence Insurance UNLESS waived in writing by the policy holder. The Board recommends the following waiver clause be used:

WAIVER OF INSURANCE

I (we) do not desire Coal Mine Subsidence Insurance coverage and hereby waive any right to such coverage, under this policy or any future policy covering my (our) interest in the property described in the policy (in the application), unless I (we) request Coal Mine Subsidence coverage, in writing, at some future date.

Signature of Named Insured (s)

Policy Number (If Renewal)

Date signed

3:11. Exclusion - insurance companies holding a signed waiver under the previous law will not be required to obtain a new waiver and waivers shall not be required on property located in the following 15 counties:

BERKELEY, CABELL, CALHOUN, HAMPSHIRE, HARDY, JACKSON, JEFFERSON, MONROE, MORGAN, PENDLETON, PLEASANTS, RITCHIE, ROANE, WIRT OR WOOD.

3:12. WAITING PERIOD - Coal Mine Subsidence Insurance becomes effective no earlier than 30 calendar days after the application date.

4:01. Administration of Claims - All mine subsidence claims shall be reported to the Board for assignment to qualified independent adjusting firms in accordance with claim procedures as outlined on Appendix D.

4:02. Fund Reporting - Quarterly, each Insurance Company subject to this regulation shall complete the West Virginia Mine Subsidence Fund Report. Refer to Appendix ~~B~~ E for report format. The following information will be required:

A. Policy Count by County;

B. The amount of gross premiums less cancellations during the quarter rounded to the nearest dollar;

C. The net premiums due the State.

The completed report, along with the net premiums due the State, if any, shall be returned to the Board within forty-five days after the quarter ends.