

1995 SESSION

INTRODUCED

LD1072236

HOUSE BILL NO. 1024

Offered January 25, 1994

A *BILL* to amend the Code of Virginia by adding a section numbered 38.2-1834.1, relating to insurance agents; prohibited termination or restriction of authority; loss ratios.

Patron—Forbes (By Request)

Referred to Committee on Corporations, Insurance and Banking

Be it enacted by the General Assembly of Virginia:

1. That the Code of Virginia is amended by adding a section numbered 38.2-1834.1 as follows:

§ 38.2-1834.1. *Termination or restriction of agency authority; loss ratio experience.*

A. *No insurer shall terminate or restrict the authority of any agent based solely on such insurer's loss ratio experience attributable to the agent's insurance transactions if (i) more than eighty percent of such agent's annual insurance transactions are on behalf of such insurer or its subsidiaries or (ii) such agent must submit all eligible insurance business to such insurer for approval or disapproval before placing it elsewhere.*

B. *The provisions of subsection A shall not apply to the agents of any insurer whose purpose is to provide insurance for members of a particular organization.*

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