

1 VIRGINIA ACTS OF ASSEMBLY — CHAPTER

2 *An Act to amend the Code of Virginia by adding in Chapter 21 of Title 38.2 a section numbered 38.2-2131,*  
3 *relating to fire insurance; assignment of claims prohibited.*

4 [S 1154]  
5 Approved

6 **Be it enacted by the General Assembly of Virginia:**  
7 **1. That the Code of Virginia is amended by adding in Chapter 21 of Title 38.2 a section numbered**  
8 **38.2-2131 as follows:**

9 **§ 38.2-2131. Assignment of claims prohibited.**

10 *A. Consistent with the provisions of § 38.2-2104, no person insured under a fire insurance policy or a fire*  
11 *insurance policy in combination with other coverages shall assign or otherwise transfer, in whole or in part,*  
12 *to any other person the duties, rights, or benefits of the insured under the policy arising from a claim or*  
13 *covered loss without written consent of the insurer.*

14 *B. Any contract provision entered in violation of this section shall be void and unenforceable.*

15 *C. The provisions of this section shall not be construed to prohibit an insured from:*

16 *1. Authorizing or directing payment to, or paying, a person for reasonable services, materials, or any*  
17 *other item that is covered or may be covered under an insurance policy; or*

18 *2. Assigning rights to seek damages related to a personal injury or tort case arising from a settlement,*  
19 *verdict, or resulting judgment against the insured that is in excess of the insured's liability insurance*  
20 *coverage, subject to defenses available by law.*

21 *D. Notwithstanding the provisions of § 38.2-2123, the provisions of this section shall apply to (i) mutual*  
22 *assessment property and casualty insurers and (ii) mutual insurers and associations organized under the*  
23 *laws of the Commonwealth conducting business only in the Commonwealth and issuing only policies*  
24 *providing for perpetual insurance.*