

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 [H 1628]

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.*

ENROLLED

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