

# VIRGINIA ACTS OF ASSEMBLY - 2025 SESSION

## CHAPTER 120

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

[H 1628]

Approved March 19, 2025

**Be it enacted by the General Assembly of Virginia:**

**1. That the Code of Virginia is amended by adding in Chapter 21 of Title 38.2 a section numbered 38.2-2131 as follows:**

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

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

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

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

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

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

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