

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2015

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HOUSE BILL 497*

Short Title: SDIP Opt-Out.

(Public)

Sponsors: Representatives Collins, Burr, Boles, and Bumgardner (Primary Sponsors).

For a complete list of Sponsors, refer to the North Carolina General Assembly Web Site.

Referred to: Insurance.

April 2, 2015

1 A BILL TO BE ENTITLED
2 AN ACT TO ALLOW AUTOMOBILE INSURERS TO ESTABLISH AND IMPLEMENT
3 INSURER-SPECIFIC DRIVER INCENTIVE PLANS.

4 The General Assembly of North Carolina enacts:

5 **SECTION 1.** G.S. 58-36-65 is amended by adding a new section to read:

6 "(n) Notwithstanding any other provision of law, on or after September 1, 2016, an
7 insurer writing nonfleet private passenger motor vehicle insurance may, instead of setting rates
8 pursuant to the Safe Driver Incentive Plan under subsection (b) of this section, elect to develop,
9 file, and implement an insurer-specific driver incentive plan in accordance with the
10 requirements of this subsection. An insurer that makes no election shall implement the Safe
11 Driver Incentive Plan as filed by the North Carolina Rate Bureau.

12 (1) Contents of insurer-specific plan. – The insurer-specific driver incentive plan
13 shall adequately and factually distinguish among various classes of drivers
14 that have safe driving records and various classes of drivers that have a
15 record of at-fault accidents; a record of traffic violations; or a combination
16 thereof; and that provides for premium differentials among those classes of
17 drivers that may provide for surcharges above and discounts below the rate
18 otherwise charged.

19 (2) Procedures; revisions. – The insurer shall make its election by notifying the
20 Commissioner in a form prescribed by the Commissioner. An election shall
21 remain in effect until revised by the insurer. The driver incentive plan for an
22 insurer electing to implement its own plan shall be filed with the
23 Commissioner prior to its implementation, and may be amended by the
24 insurer provided that any such amendment shall apply only to policies
25 written or renewed at least 30 days after filing the amended plan with the
26 Commissioner.

27 (3) Scope of plan. – The plan shall apply only to drivers, risks, and coverages
28 that have not been ceded to the North Carolina Reinsurance Facility and the
29 provisions of the Safe Driver Incentive Plan as developed and promulgated
30 by the North Carolina Rate Bureau shall have no effect or application to
31 drivers, risks, and coverages retained by an insurer that has made an election
32 under this subsection and filed a driver incentive plan with the
33 Commissioner."

34 **SECTION 2.** G.S. 58-36-75 is amended by adding a new subsection to read:



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1 "(i) The provisions of this section shall have no effect or application to drivers, risks,
2 and coverages retained by an insurer that has elected to and has filed an insurer-specific driver
3 incentive plan with the Commissioner under G.S. 58-36-65(n)."

4 **SECTION 3.** This act is effective when it becomes law.