

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2017

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SENATE BILL DRS35038-MHz-10 (11/29)

Short Title: DOI to Report Certain CTR Data.

(Public)

Sponsors: Senators Lee, Meredith, and Ford (Primary Sponsors).

Referred to:

A BILL TO BE ENTITLED

AN ACT TO PROVIDE FOR THE REPORTING BY THE DEPARTMENT OF INSURANCE  
OF CERTAIN AGGREGATE PROPERTY INSURANCE CONSENT TO RATE DATA, AS  
RECOMMENDED BY THE LEGISLATIVE RESEARCH COMMISSION COMMITTEE  
ON REGULATORY AND RATE ISSUES IN INSURANCE.

The General Assembly of North Carolina enacts:

**SECTION 1.** G.S. 58-36-30(b1), as enacted by Section 1.3(a) of S.L. 2016-78, reads  
as rewritten:

"(b1) This subsection applies only to insurance against loss to residential real property with  
not more than four housing units. A rate in excess of that promulgated by the Bureau may be  
charged by an insurer on any specific risk if the higher rate is charged in accordance with rules  
adopted by the Commissioner and is charged with the knowledge and written consent of the  
insured. An insurer shall give reasonable notice to the insured by including the following language  
on the insured's written consent to rate form in at least 14 point type, bolded, and underlined:

**NOTICE: THE PREMIUM USING NORTH CAROLINA RATE BUREAU'S  
APPROVED RATES FOR THE HOMEOWNER'S INSURANCE COVERAGE I  
APPLIED FOR IS \$\_\_\_\_\_. THE PREMIUM FOR THIS COVERAGE IS \$\_\_\_\_\_.  
THE TOTAL PERCENTAGE INCREASE ABOVE THE APPROVED RATES IS  
\_\_\_\_\_ %.**

The insurer shall provide the rate information on the disclosure statement above, as applicable,  
to the insured. The disclosure statement noted above in this subsection shall be included on any  
renewal of or endorsement to the policy for any subsequent increase above the manual rate  
following the initial written consent of an insured. However, once an initial written consent to rate  
is received, the insurer is not required to obtain the written consent of the insured on any renewal  
of or endorsement to the policy. The insurer shall give at least 30 days' notice to the insured for all  
written consents to rate and notices required under this subsection on all policy renewals and  
endorsements. The insurer shall retain the signed consent form and other policy information for  
each insured and make this information available to the Commissioner, upon request of the  
Commissioner. Any data identifying individual insurers or insureds obtained by the Commissioner  
under this subsection is proprietary and confidential and is not a public record under G.S. 132-1 or  
G.S. 58-2-100. However, the Commissioner shall (i) collect annually from insurers, in a format  
and manner designated by the Commissioner and (ii) publish on the Department's Web site no  
later than July 1 the following data aggregated across all insurers for each geographical  
rate-making territory:

(1) The percentage of policies for which a consent to rate has been obtained.



- 1           (2)   The average difference between the manual premium and the consented  
2                   premium."  
3           **SECTION 2.** This act is effective when it becomes law.