

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2023

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SENATE BILL DRS45164-NE-134

Short Title: Modify Beach Plan Policy Limits.

(Public)

Sponsors: Senators Johnson, Lazzara, and Hanig (Primary Sponsors).

Referred to:

1 A BILL TO BE ENTITLED  
2 AN ACT TO MODIFY BEACH PLAN POLICY LIMITS.

3 The General Assembly of North Carolina enacts:

4 **SECTION 1.(a)** G.S. 58-45-41 reads as rewritten:

5 "**§ 58-45-41. Coverage limits.**

6 (a) The Association shall cause to be issued insurance up to the reasonable value of the  
7 insurable property, subject to a maximum of ~~seven hundred fifty thousand dollars (\$750,000)~~ one  
8 million dollars (\$1,000,000) on habitational property. The above limits on habitational property  
9 shall apply to the value of the building only. Insurance issued by the Association for commercial  
10 property shall not exceed ~~three five million dollars (\$3,000,000) (\$5,000,000)~~ on any  
11 freestanding structure or any building unit within multiple firewall divisions, provided the  
12 aggregate insurance on structures with multiple firewall divisions shall not exceed ~~six ten~~ million  
13 dollars ~~(\$6,000,000) (\$10,000,000)~~ on all interest at one risk.

14 ...."

15 **SECTION 1.(b)** This section becomes effective June 1, 2023, and applies to  
16 contracts issued, amended, or renewed on or after that date.

17 **SECTION 2.(a)** G.S. 58-45-41, as amended by Section 1(a) of this act, reads as  
18 rewritten:

19 "**§ 58-45-41. Coverage limits.**

20 (a) The Association shall cause to be issued insurance up to the reasonable value of the  
21 insurable property, both habitational property and commercial property, subject to a maximum  
22 of one million dollars (\$1,000,000) on habitational property, as recommended by the Association  
23 and approved by the Commissioner. The above limits on habitational property shall apply to the  
24 value of the building only. Insurance issued by the Association for commercial property shall not  
25 exceed ~~five million dollars (\$5,000,000)~~ the limits provided in this subsection on any  
26 freestanding structure or any building unit within multiple firewall divisions, provided the  
27 aggregate insurance on structures with multiple firewall divisions shall not exceed ten million  
28 dollars (\$10,000,000) on all interest at one risk.

29 ...."

30 **SECTION 2.(b)** This section becomes effective June 1, 2024, and applies to  
31 contracts issued, amended, or renewed on or after that date.

32 **SECTION 3.** Except as otherwise provided, this act is effective when it becomes  
33 law.

