

NORTH CAROLINA GENERAL ASSEMBLY
1979 SESSION

CHAPTER 676
SENATE BILL 348

AN ACT TO PROVIDE FOR A CLEAN RISK SUBCLASSIFICATION WITHIN THE
NORTH CAROLINA MOTOR VEHICLE REINSURANCE FACILITY.

The General Assembly of North Carolina enacts:

Section 1. G.S. 58-248.33(1) is amended in lines 4 through 6 by striking out the sentence therein reading as follows:

"The Commissioner may establish separate subclassifications within the Facility for clean risks as defined by the Commissioner.", and by inserting in lieu thereof the following:

"The Board of Governors shall establish a separate subclassification within the Facility for 'clean risks' as herein defined. For the purpose of this Article, a 'clean risk' shall be any owner of a motor vehicle classified as a private passenger non-fleet motor vehicle as defined under Article 13C of this Chapter if the owner and the principal operator and each licensed operator in the owner's household have two years driving experience and if neither the owner nor any member of his household nor the principal operator had had any chargeable accident or any conviction for a moving traffic violation pursuant to the subclassification plan established by the provisions of G.S. 58-30.4, during the three-year period immediately preceding the date of application for motor vehicle insurance or the date of preparation for a renewal motor vehicle insurance policy."

Sec. 2. G.S. 58-248.33(1) is further amended in lines 18 through 23 by striking out the sentence therein reading as follows:

"However, if the Commissioner determines, after hearing, that any class reinsured in the Facility is entitled to a subsidy, the Commissioner can order that such subsidy shall be provided in which event the difference between the actual rate charged and the actuarially sound and self-supporting rates for such class shall be recouped in similar manner as assessments pursuant to G.S. 58-248.34(f).", and by inserting in lieu thereof the following:

"However, the rates made by or on behalf of the Facility with respect to 'clean risks', as defined above, shall not exceed the rates charged 'clean risks' who are not reinsured in the Facility. The difference between the actual rate charged and the actuarially sound and self-supporting rates for 'clean risks' reinsured in the Facility may be recouped in similar manner as assessments pursuant to G.S. 58-248.34(f)."

Sec. 3. This act shall become effective October 1, 1979.

In the General Assembly read three times and ratified, this the 29th day of May, 1979.