

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2015

FILED SENATE  
Mar 26, 2015  
S.B. 668  
PRINCIPAL CLERK

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SENATE DRS25187-MH-86 (03/11)

Short Title: Auto Insurance/Allow Optional Enhancements.

(Public)

Sponsors: Senator Apodaca (Primary Sponsor).

Referred to:

1 A BILL TO BE ENTITLED  
2 AN ACT TO ALLOW INSURANCE COMPANIES WRITING PRIVATE AUTOMOBILE  
3 INSURANCE IN NORTH CAROLINA TO OFFER OPTIONAL PROGRAM  
4 ENHANCEMENTS.

5 The General Assembly of North Carolina enacts:

6 SECTION 1. Article 36 of Chapter 58 of the General Statutes is amended by  
7 adding a new section to read:

8 "**§ 58-36-43. Optional program enhancements authorized not altering coverage under**  
9 **Rate Bureau jurisdiction.**

10 (a) Member companies writing private passenger automobile or homeowners' insurance  
11 under this Article may incorporate optional enhancements to their automobile and homeowners'  
12 programs as an endorsement to an automobile or homeowners' policy issued under this Article  
13 if the insurer has filed the proposed enhancement with the Commissioner and if the proposed  
14 enhancement is approved by the Commissioner. Any approved optional enhancements shall be  
15 considered outside the authority of the Rate Bureau. If the proposed enhancement will include  
16 an additional premium charge, the proposed premium charge shall be included with the  
17 proposed program enhancements filed with the Commissioner. The Commissioner shall review  
18 the proposed premium charges and approve them if the Commissioner finds that they are based  
19 on sound actuarial principles. Amendments to private passenger automobile or homeowners'  
20 program enhancements are subject to the same requirements as initial filings. Neither the  
21 acceptance, renewal of a policy, nor any underwriting rating criteria shall be conditioned by a  
22 company upon the acceptance by the policyholder of any optional automobile or homeowners'  
23 enhancements. A rate amendment authorized by this section is not a rate deviation and is not  
24 subject to the requirements for rate deviations set forth in G.S. 58-36-30(a).

25 (b) Insurers shall utilize statistical codes outlined by their statistical organization in  
26 reporting premiums and losses resulting from program enhancements filed under this section.  
27 Those statistical codes shall be substantially different than the codes utilized for data collected  
28 for rate-making purposes in order to avoid commingling of the data."

29 SECTION 2. This act becomes effective July 1, 2015, and applies to optional  
30 enhancements filed and approved on or after that date.

