

GENERAL ASSEMBLY OF NORTH CAROLINA
1989 SESSION

CHAPTER 332
HOUSE BILL 651

AN ACT TO FURTHER FACILITATE RECOVERY OF LOSSES OF THE MOTOR
VEHICLE REINSURANCE FACILITY.

The General Assembly of North Carolina enacts:

Section 1. G.S. 58-248.41 reads as rewritten:

**"§ 58-248.41. Modification of nonfleet private passenger motor vehicle insurance
recoupment.**

(a) During the period beginning on July 1, 1988, through June 30, 1989, eighty percent (80%) of the Facility's losses shall be recouped according to G.S. 58-248.34(f) and twenty percent (20%) shall be allocated among all policies.

(b) During the period beginning on July 1, 1989, through June 30, 1990, sixty percent (60%) of the Facility's losses shall be recouped according to G.S. 58-248.34(f) and forty percent (40%) shall be allocated among all policies.

(c) During the period beginning on July 1, 1990, through June 30, 1991, ~~forty percent (40%)~~ fifty percent (50%) of the Facility's losses shall be recouped according to G.S. 58-248.34(f) and ~~sixty percent (60%)~~ fifty percent (50%) shall be allocated among all policies.

(d) During the period beginning on July 1, 1991, through June 30, 1992, ~~twenty percent (20%)~~ forty percent (40%) of the Facility's losses shall be recouped according to G.S. 58-248.34(f) and ~~eighty percent (80%)~~ sixty percent (60%) shall be allocated among all policies.

(e) ~~Beginning on July 1, 1992, the Facility's losses shall be allocated among all policies.~~ During the period beginning on July 1, 1992, through June 30, 1993, thirty percent (30%) of the Facility's losses shall be recouped according to G.S. 58-248.34(f) and seventy percent (70%) shall be allocated among all policies.

(e1) During the period beginning on July 1, 1993, through June 30, 1994, twenty percent (20%) of the Facility's losses shall be recouped according to G.S. 58-248.34(f) and eighty percent (80%) shall be allocated among all policies.

(e2) During the period beginning on July 1, 1994, through June 30, 1995, ten percent (10%) of the Facility's losses shall be recouped according to G.S. 58-248.34(f) and ninety percent (90%) shall be allocated among all policies.

(e3) Beginning on July 1, 1995, the Facility's losses shall be allocated among all policies.

(f) Recoupment and allocation of Facility losses under this section shall be made during the periods specified for the purpose of equitably distributing assessments made on member companies as a result of Facility losses. The recoupment and allocation of

such losses shall not be considered as the collection or imposition of rates or premiums for any purposes.

(g) This section applies only to losses from, recoupment on, and allocation among nonfleet private passenger motor vehicle insurance policies. This section does not in any way affect the procedures for recouping losses from other motor vehicle insurance policies reinsured by the Facility."

Sec. 2. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 15th day of June, 1989.