

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1991

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HOUSE BILL 902
Senate Insurance Committee Substitute Adopted 6/6/91

Short Title: Farm Ins. Out of Rate Bureau.

(Public)

Sponsors:

Referred to:

April 18, 1991

A BILL TO BE ENTITLED

AN ACT TO REMOVE FARM COVERAGES FROM THE JURISDICTION OF THE
NORTH CAROLINA RATE BUREAU.

The General Assembly of North Carolina enacts:

Section 1. G.S. 58-36-1(3) reads as rewritten:

"(3) The Bureau shall have the duty and responsibility of promulgating and proposing rates for insurance against loss to residential real property with not more than four housing units located in this State and any contents thereof or valuable interest therein and other insurance coverages written in connection with the sale of such property insurance; for insurance against theft of or physical damage to private passenger (nonfleet) motor vehicles; for liability insurance for such motor vehicles, automobile medical payments insurance, uninsured motorists coverage and other insurance coverages written in connection with the sale of such liability insurance; and for workers' compensation and employers' liability insurance written in connection therewith. The provisions of this subdivision shall not apply to motor vehicles operated under certificates of authority from the Utilities Commission, the Interstate Commerce Commission, or their successor agencies, where insurance or other proof of financial responsibility is required by law or by regulations specifically applicable to such certificated vehicles. The Bureau shall have no jurisdiction over excess workers' compensation insurance for employers qualifying as self-

1 insurers as provided in G.S. 97-93; nor shall the Bureau's jurisdiction
2 include farm ~~buildings other than buildings,~~ farm dwellings and their
3 appurtenant ~~structures; structures,~~ farm personal ~~property; property or~~
4 other coverages written in connection with farm real or personal
5 property; travel or camper trailers designed to be pulled by private
6 passenger motor vehicles, unless insured under policies covering
7 nonfleet private passenger motor vehicles; residential real and personal
8 property insured in multiple line insurance policies covering business
9 activities as the primary insurable interest; and marine, general
10 liability, burglary and theft, glass, and animal collision insurance,
11 except when such coverages are written as an integral part of a
12 multiple line insurance policy for which there is an indivisible
13 premium."

14 Sec. 2. G.S. 58-40-15 reads as rewritten:

15 **"§ 58-40-15. Scope of application.**

16 The provisions of this Article shall apply to all insurance on risks or on operations in
17 this State, except:

- 18 (1) Reinsurance, other than joint reinsurance to the extent stated in G.S.
19 58-40-60;
- 20 (2) Any policy of insurance against loss or damage to or legal liability in
21 connection with property located outside this State, or any motor
22 vehicle or aircraft principally garaged and used outside of this State, or
23 any activity wholly carried on outside this State;
- 24 (3) Insurance of vessels or craft, their cargoes, marine builders' risks,
25 marine protection and indemnity, or other risks commonly insured
26 under marine, as distinguished from inland marine, insurance policies;
- 27 (4) Accident, health, or life insurance;
- 28 (5) Annuities;
- 29 (6) Repealed by Session Laws 1985, c. 666, s. 43.
- 30 (7) Mortgage guaranty insurance;
- 31 (8) Workers' compensation and employers' liability insurance written in
32 connection therewith;
- 33 (9) For private passenger (nonfleet) motor vehicle liability insurance,
34 automobile medical payments insurance, uninsured motorists'
35 coverage and other insurance coverages written in connection with the
36 sale of such liability insurance;
- 37 (10) Theft of or physical damage to private passenger (nonfleet) motor
38 vehicles; and
- 39 (11) Insurance against loss to residential real property with not more than
40 four housing units located in this State or any contents thereof or
41 valuable interest therein and other insurance coverages written in
42 connection with the sale of such property insurance. Provided,
43 however, that this Article shall apply to insurance against loss to farm
44 dwellings, farm buildings (~~other than farm dwellings~~ and their

1 appurtenant ~~structures~~; structures, farm personal property and other
2 coverages written in connection with farm real or personal property;
3 travel or camper trailers designed to be pulled by private passenger
4 motor vehicles unless insured under policies covering nonfleet private
5 passenger motor vehicles; residential real and personal property
6 insured in multiple line insurance policies covering business activities
7 as the primary insurable interest; and marine, general liability, burglary
8 and theft, glass, and animal collision insurance except when such
9 coverages are written as an integral part of a multiple line insurance
10 policy for which there is an indivisible premium.

11 The provisions of this Article shall not apply to hospital service or medical service
12 corporations, investment companies, mutual benefit associations, or fraternal
13 beneficiary associations."

14 Sec. 3. This act is effective upon ratification. Rates, rating systems,
15 territories, classifications, and policy forms lawfully in use on the date of ratification
16 may continue to be used thereafter.