

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1995

H

1

HOUSE BILL 1199\*

Short Title: Revise Def. of Nonfleet Motor Vehicle.

(Public)

---

Sponsors: Representatives Cocklereece, Dockham; and Pate.

---

Referred to: Insurance.

---

May 16, 1996

A BILL TO BE ENTITLED

1 AN ACT TO REVISE THE DEFINITION OF NONFLEET MOTOR VEHICLE TO  
2 ALLOW FLEXIBILITY FOR THE NUMBER OF AUTOMOBILES THAT MAY  
3 BE WRITTEN UNDER A PERSONAL AUTOMOBILE INSURANCE POLICY AS  
4 RECOMMENDED BY THE LEGISLATIVE RESEARCH COMMISSION'S  
5 COMMITTEE ON INSURANCE AND INSURANCE-RELATED ISSUES.  
6

7 The General Assembly of North Carolina enacts:

8 Section 1. G.S. 58-40-10(2) reads as rewritten:

9 "(2) 'Nonfleet' motor vehicle means a motor vehicle not eligible for  
10 classification as a fleet vehicle for the reason that the motor vehicle is:

11 a. ~~One of four or fewer motor vehicles owned or hired under a~~  
12 ~~long term contract by a policy named insured; or~~

13 b. ~~One of five or more private passenger motor vehicles owned or~~  
14 ~~hired under a long term contract:~~

15 1. ~~By an individual who is a policy named insured;~~

16 2. ~~Jointly by two or more individuals who are policy named~~  
17 ~~insureds and are residents in the same household; or~~

18 3. ~~Jointly by two or more individuals who are policy named~~  
19 ~~insureds and are related by blood, marriage, or adoption.~~

1                   is one of four or fewer motor vehicles hired under a long-term contract  
2                   or owned by the insured named in the policy."

3                   Sec. 2. Article 36 of Chapter 58 of the General Statutes is amended by adding  
4 a new section to read:

5 **"§ 58-36-2. Private passenger motor vehicles; number of nonfleet policies.**

6                   Notwithstanding the definition of 'nonfleet' in G.S. 58-40-10(2), the Bureau may  
7 adopt rules, subject to the Commissioner's approval, that specify the circumstances under  
8 which more than four private passenger motor vehicles may be covered under a nonfleet  
9 private passenger motor vehicle policy that is subject to this Article."

10                   Sec. 3. This act becomes effective October 1, 1996, and applies to policies  
11 issued or renewed on or after that date.