

**GENERAL ASSEMBLY OF NORTH CAROLINA**  
**SESSION 2007**

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**HOUSE BILL 860**

Short Title: Effect of PJC on Insurance Rates. (Public)

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Sponsors: Representatives Stiller, Faison, Hall (Primary Sponsors); Allred, Blue, Bordsen, Cleveland, Daughtridge, Daughtry, Glazier, Goodwin, Haire, Harrison, Howard, Jones, Luebke, Moore, Ross, Setzer, Stam, Steen, and West.

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Referred to: Insurance.

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March 15, 2007

A BILL TO BE ENTITLED

AN ACT TO REVISE THE SUBCLASSIFICATION PLAN FOR NONFLEET PRIVATE PASSENGER AUTOMOBILE INSURANCE.

The General Assembly of North Carolina enacts:

**SECTION 1.** G.S. 58-36-75(f) reads as rewritten:

"(f) The subclassification plan shall provide that with respect to a conviction for a "violation of speeding 10 miles per hour or less over the speed limit" there shall be no premium surcharge nor any assessment of points unless there is a driving record consisting of a conviction or convictions for a moving traffic violation or violations, except for a prayer for judgment continued for any moving traffic violation, during the three years immediately preceding the date of application or the preparation of the renewal. The subclassification plan shall also provide that with respect to a prayer for judgment continued for any moving traffic violation, there shall be no premium surcharge nor any assessment of points unless ~~the vehicle owner, principal operator, or any licensed operator in the owner's household~~ the driver has a driving record consisting of a prayer or prayers for judgment continued for any moving traffic violation or violations during the three years immediately preceding the date of application or the preparation of the renewal. For the purpose of this subsection, a "prayer for judgment continued" means a determination of guilt by a jury or a court though no sentence has been imposed. For the purpose of this subsection, a "violation of speeding 10 miles per hour or less over the speed limit" does not include the offense of speeding in a school zone in excess of the posted school zone speed limit.

(f1) The subclassification plan shall provide that in the event an insured is at fault in an accident and is convicted of a moving traffic violation in connection with the accident, only the higher plan premium surcharge between the accident and the conviction shall be assessed on the policy.

1 (g) As used in this section "conviction" means a conviction as defined in  
2 G.S. 20-279.1 and means an infraction as defined in G.S. 14-3.1.

3 (h) The North Carolina Rate Bureau shall assign one insurance point under the  
4 Safe Driver Incentive Plan for persons who fail to yield to a pedestrian under  
5 G.S. 20-158(b)(2)b."

6 **SECTION 2.** This act is effective when it becomes law.