

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2015

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SENATE BILL 457

Short Title: SDIP Opt-Out.

(Public)

Sponsors: Senators Meredith (Primary Sponsor); and Rabin.

Referred to: Rules and Operations of the Senate.

March 26, 2015

1 A BILL TO BE ENTITLED  
2 AN ACT TO ALLOW AUTOMOBILE INSURERS TO ESTABLISH AND IMPLEMENT  
3 INSURER-SPECIFIC DRIVER INCENTIVE PLANS.

4 The General Assembly of North Carolina enacts:

5 **SECTION 1.** G.S. 58-36-65 is amended by adding a new section to read:

6 "(n) Notwithstanding any other provision of law, on or after September 1, 2016, an  
7 insurer writing nonfleet private passenger motor vehicle insurance may, instead of setting rates  
8 pursuant to the Safe Driver Incentive Plan under subsection (b) of this section, elect to develop,  
9 file, and implement an insurer-specific driver incentive plan in accordance with the  
10 requirements of this subsection. An insurer that makes no election shall implement the Safe  
11 Driver Incentive Plan as filed by the North Carolina Rate Bureau.

12 (1) Contents of insurer-specific plan. – The insurer-specific driver incentive plan  
13 shall adequately and factually distinguish among various classes of drivers  
14 that have safe driving records and various classes of drivers that have a  
15 record of at-fault accidents; a record of traffic violations; or a combination  
16 thereof; and that provides for premium differentials among those classes of  
17 drivers that may provide for surcharges above and discounts below the rate  
18 otherwise charged.

19 (2) Procedures; revisions. – The insurer shall make its election by notifying the  
20 Commissioner in a form prescribed by the Commissioner. An election shall  
21 remain in effect until revised by the insurer. The driver incentive plan for an  
22 insurer electing to implement its own plan shall be filed with the  
23 Commissioner prior to its implementation, and may be amended by the  
24 insurer provided that any such amendment shall apply only to policies  
25 written or renewed at least 30 days after filing the amended plan with the  
26 Commissioner.

27 (3) Scope of plan. – The plan shall apply only to drivers, risks, and coverages  
28 that have not been ceded to the North Carolina Reinsurance Facility and the  
29 provisions of the Safe Driver Incentive Plan as developed and promulgated  
30 by the North Carolina Rate Bureau shall have no effect or application to  
31 drivers, risks, and coverages retained by an insurer that has made an election  
32 under this subsection and filed a driver incentive plan with the  
33 Commissioner."

34 **SECTION 2.** G.S. 58-36-75 is amended by adding a new subsection to read:



1        "(i) The provisions of this section shall have no effect or application to drivers, risks,  
2 and coverages retained by an insurer that has elected to and has filed an insurer-specific driver  
3 incentive plan with the Commissioner under G.S. 58-36-65(n)."

4                **SECTION 3.** This act is effective when it becomes law.