



963148

LEGISLATIVE ACTION

Senate

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House

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Floor: NC

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03/08/2016 01:38 PM

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Senator Flores moved the following:

**Senate Amendment (with title amendment)**

Delete lines 753 - 825

and insert:

(ii) The corporation shall revise the programs adopted pursuant to sub-subparagraph (q)3.a. for personal lines residential policies to maximize policyholder options and encourage increased participation by insurers and agents. After January 1, 2017, a policy may not be taken out of the corporation unless the provisions of this paragraph are met.



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11           1. The corporation must publish a periodic schedule of  
12 cycles during which an insurer may identify, and notify the  
13 corporation of, policies that the insurer is requesting to take  
14 out. A request must include a description of the coverage  
15 offered and an estimated premium and must be submitted to the  
16 corporation in a form and manner prescribed by the corporation.

17           2. The corporation must maintain and make available to the  
18 agent of record a consolidated list of all insurers requesting  
19 to take out a policy. The list must include a description of the  
20 coverage offered and the estimated premium for each take-out  
21 request.

22           3. The corporation must provide written notice to the  
23 policyholder and the agent of record regarding all insurers  
24 requesting to take out the policy and regarding the  
25 policyholder's option to accept a take-out offer or to reject  
26 all take-out offers and to remain with the corporation. The  
27 notice must be in a format prescribed by the corporation and  
28 include, for each take-out offer:

29           a. The amount of the estimated premium;  
30           b. A description of the coverage; and  
31           c. A comparison of the estimated premium and coverage  
32 offered by the insurer to the estimated premium and coverage  
33 provided by the corporation.

34           4. A policyholder who accepted a take-out offer by an  
35 insurer within the previous 36 months is deemed to be a renewal  
36 policyholder under s. 627.3518 if the corporation determines  
37 that the same take-out insurer increased the rate on the policy  
38 in excess of the percent increase allowed for the corporation  
39 under subparagraph (n)6. This subparagraph does not apply if the



40 office determines that a take-out insurer that increased its  
41 rates in excess of the percent increase allowed under  
42 subparagraph (n)6. experienced, or is likely to experience, a 20  
43 percent or greater increase in the cost of reinsurance when  
44 compared to the cost of reinsurance in the prior year.

45  
46 ===== T I T L E A M E N D M E N T =====

47 And the title is amended as follows:

48 Delete lines 19 - 32

49 and insert:

50 corporation to publish a periodic schedule of cycles  
51 during which an insurer may identify and submit policy  
52 take-out requests; specifying information required to  
53 be included in such requests; requiring the  
54 corporation to maintain and make available to the  
55 agent of record a specified list; requiring the  
56 corporation to provide policyholders and the agents of  
57 record with a specified notice regarding take-out  
58 offers; providing that a policyholder is deemed to be  
59 a renewal policyholder under certain circumstances;  
60 providing applicability; providing an effective date.