

March 13, 2007

**S 735. MEDIATION OF PROPERTY INSURANCE CLAIMS.** Filed 3/13/07. *TO MAKE TECHNICAL AND SUBSTANTIVE CHANGES IN THE LAWS GOVERNING MEDIATION OF PROPERTY INSURANCE CLAIMS ARISING OUT OF DISASTERS.*

Amends GS 58-44-70 to allow non-adversarial alternative dispute resolution to resolve claims arising out of damages to residential property as the result of an event for which a state of disaster is declared within 60 days after the event (was, as a result of a disaster). Also makes the mediation provisions applicable when a state of disaster has been proclaimed by a resolution of the General Assembly, and if the Commissioner of Insurance (commissioner) issues an order establishing the mediation procedure. Makes conforming change to GS 58-44-80. Amends GS 58-44-95 to remove the provision allowing the approval of an uncertified mediator if the parties agree on the selected mediator. Also removes the provision prohibiting the mediator from making an award or judgment as to the merits to the action. Amends GS 58-44-100 to remove requirements to negotiate in good faith and removes the requirement that the party responsible for causing the termination of the mediation is responsible for paying the mediator's and administrative fees. Allows the commissioner to refer matters regarding the conduct of a mediator to the North Carolina Dispute Resolution Commission. Provides that the commissioner or the commissioner's employee attending a settlement conference cannot be compelled to testify about the conference. Amends GS 58-44-60(a) (non-covered loss warning) to make it applicable to insurers selling policies for residential or commercial property. Effective October 1, 2007.

**Intro. by Dalton.**

GS 58