

March 4, 2009

H 426. STAY ON HOMEOWNERS INSURANCE ACTIONS. Filed 3/4/09. *TO IMPOSE A TEMPORARY STAY ON INCREASED SURCHARGES AND DEDUCTIBLES UNDER THE BEACH PLAN AND THE FAIR PLAN AND TO TEMPORARILY STAY PROPERTY INSURANCE RATE INCREASES FOR HOMEOWNERS POLICIES ACROSS THE STATE.*

In light of the ongoing economic crisis, this act effectively rescinds the November 21, 2008, approval by the Department of Insurance of the following filings by the North Carolina Insurance Underwriting Association (NCIUA) and the North Carolina Joint Underwriting Association (NCJUA): an increase from 15% to 25% in the surcharge for homeowner's coverage, an increase from 5% to 15% in the surcharge for homeowner's windstorm and hail coverage, two residential deductible guidelines, and two commercial deductible guidelines. Prohibits surcharges or deductible increases or changes for coverages as specified above on or after the effective date of this act. Provides that rate increases resulting from the 2008 Rate Filing approved by the Commissioner of Insurance on December 18, 2008, will not take effect and may not be used by the NCIUA or NCJUA when determining insurance rates and mandates that any premiums or deductibles paid in violation of the bill must be refunded. Expires on July 1, 2010, and applies to all insurance policies issued or renewed on or after the date when the act becomes law.

Intro. by Spear.

UNCODIFIED