

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2017

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SENATE BILL DRS45059-MHz-11 (11/30)

Short Title: Aerial Adventure Financial Responsibility. (Public)

Sponsors: Senators Lee, Meredith, and Ford (Primary Sponsors).

Referred to:

1 A BILL TO BE ENTITLED
2 AN ACT TO REQUIRE AERIAL ADVENTURE PARKS TO MAINTAIN CERTAIN
3 MINIMUM INSURANCE COVERAGES, AS RECOMMENDED BY THE LEGISLATIVE
4 RESEARCH COMMISSION COMMITTEE ON REGULATORY AND RATE ISSUES IN
5 INSURANCE.

6 The General Assembly of North Carolina enacts:

7 **SECTION 1.** Chapter 66 of the General Statutes is amended by adding a new Article
8 to read:

9 "Article 47.

10 "Zip Line and Challenge Course Financial Responsibility.

11 "**§ 66-450. Definitions.**

12 The following definitions apply in this Article:

- 13 (1) Aerial adventure park. – A self-guided challenge course that is open to the
14 public.
- 15 (2) Canopy tour. – A belayed aerial recreational or educational, guided or
16 self-guided, traverse or discovery tour of the forest canopy, flora and fauna, and
17 related ecologically significant areas most commonly by means of a series of
18 zip lines or aerial walkways with platforms.
- 19 (3) Challenge course. – Any apparatus or facility specifically designed or
20 constructed, or both, for the use of individuals or teams, which through high or
21 low nonspotted, spotted, or belayed activities, under trained facilitated learning
22 programs or curricula or as adventure/challenge recreational components or
23 courses. Such a facility usually consists of one or more elements that challenge
24 participants and includes zip line tours, canopy tours, or aerial adventure parks.
- 25 (4) Commissioner. – The Commissioner of Insurance.
- 26 (5) Owner. – Any person or authorized agent of such person who owns a device
27 subject to the provisions of this Article or, in the event such device is leased,
28 the lessee. The term "owner" also shall include the State of North Carolina or
29 any political subdivision thereof or any unit of local government.
- 30 (6) Person. – Any individual, association, partnership, firm, corporation, private
31 organization, or the State of North Carolina or any political subdivision thereof
32 or any unit of local government.
- 33 (7) Zip line. – A lifeline suspended between support structures that enables a
34 person attached to a pulley to traverse from a starting point to a terminus
35 propelled by the force of gravity or a passive method of controlled acceleration.



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1 (8) Zip line tour. – A belayed recreational or educational, guided or self-guided,
2 course or tour traversing areas of scenic, ecological, and/or cultural
3 significance. Zip line tours typically involve action or activity systems such as
4 zip lines, platforms, landing areas, and connecting trails.

5 **"§ 66-451. Liability insurance.**

6 (a) No owner shall operate an aerial adventure park, canopy tour, challenge course, zip line
7 tour, zip line, or similar device unless at the time there is in existence a contract of insurance
8 providing coverage of not less than one million dollars (\$1,000,000) per occurrence and two
9 million dollars (\$2,000,000) in the aggregate against liability for injury to persons or property
10 arising out of the operation of such facility or use of such device. The insurance contract must be
11 provided by an insurer or surety that is acceptable to the Commissioner of Insurance and approved
12 or authorized to transact business in this State and shall not include per person sublimits to
13 liability.

14 (b) The Commissioner of Insurance shall have the authority to request from the owner of a
15 facility or device regulated by this Article, or the owner's authorized agent, proof of the required
16 contract of insurance, and upon failure of the owner or the owner's authorized agent to provide
17 such proof, the Commissioner shall have the authority to prevent or stop operation of the facility
18 or device until such time as proof is provided.

19 (c) The Commissioner shall not accept any commercial general liability insurance policy
20 unless it obligates the insurer to give written notice to the insured at least 30 days before any
21 proposed cancellation, suspension, or nonrenewal of the policy. The owner or the owner's
22 authorized agent shall immediately notify the Commissioner upon receipt of notice of
23 cancellation, suspension, or nonrenewal of the policy.

24 **"§ 66-452. Exceptions.**

25 This Article does not apply to aerial adventure park, canopy tour, challenge course, zip line
26 tour, zip line, or similar devices (i) installed at a private residence that is not open to the public and
27 for which no fee is charged or (ii) operated by a government entity solely for law enforcement or
28 military training purposes."

29 **SECTION 2.** The Department of Insurance shall adopt permanent rules and may
30 adopt temporary rules to implement this act. The Department shall propose permanent rules and
31 adopt temporary rules no later than January 15, 2018.

32 **SECTION 3.** Section 1 of this act becomes effective June 1, 2018. The remainder of
33 this act is effective when it becomes law.