

§ 58-36-43. Optional program enhancements authorized not altering coverage under Rate Bureau jurisdiction.

(a) **(Effective until July 1, 2025)** Member companies writing private passenger automobile, homeowners', dwelling, or residential private flood insurance under this Article may incorporate optional enhancements to their automobile, homeowners', dwelling, and residential private flood programs as an endorsement to an automobile, homeowners', dwelling, or residential private flood policy issued under this Article if the insurer has filed the proposed enhancement with the Commissioner and if the proposed enhancement is approved by the Commissioner. Any approved optional enhancements shall be considered outside the authority of the Rate Bureau. If the proposed enhancement will include an additional premium charge, the proposed premium charge shall be included with the proposed program enhancements filed with the Commissioner. The Commissioner shall review the proposed premium charges and approve them if the Commissioner finds that they are based on sound actuarial principles. Amendments to private passenger automobile, homeowners', dwelling, or residential private flood program enhancements are subject to the same requirements as initial filings. Neither the acceptance, renewal of a policy, nor any underwriting rating criteria shall be conditioned by a company upon the acceptance by the policyholder of any optional automobile, homeowners', dwelling, or residential private flood enhancements. A rate amendment authorized by this section is not a rate deviation and is not subject to the requirements for rate deviations set forth in G.S. 58-36-30(a).

(a) **(Effective July 1, 2025)** Member companies writing private passenger automobile or homeowners' insurance under this Article may incorporate optional enhancements to their automobile and homeowners' programs as an endorsement to an automobile or homeowners' policy issued under this Article if the insurer has filed the proposed enhancement with the Commissioner and if the proposed enhancement is approved by the Commissioner. Any approved optional enhancements shall be considered outside the authority of the Rate Bureau. If the proposed enhancement will include an additional premium charge, the proposed premium charge shall be included with the proposed program enhancements filed with the Commissioner. The Commissioner shall review the proposed premium charges and approve them if the Commissioner finds that they are based on sound actuarial principles. Amendments to private passenger automobile or homeowners' program enhancements are subject to the same requirements as initial filings.

A company shall not condition (i) the acceptance or renewal of a policy, (ii) any underwriting criteria, or (iii) any rating criteria upon the acceptance by the policyholder of any optional automobile or homeowners' enhancements authorized by this section. A rate amendment authorized by this section is not a rate deviation and is not subject to the requirements for rate deviations set forth in G.S. 58-36-30(a).

(b) **(Repealed effective January 1, 2025)** Insurers shall utilize statistical codes outlined by their statistical organization in reporting premiums and losses resulting from program enhancements filed under this section. Those statistical codes shall be substantially different than the codes utilized for data collected for rate-making purposes in order to avoid commingling of the data. (2015-146, s. 5; 2022-46, s. 11; 2023-133, s. 16(b), (c); 2024-29, s. 9(b).)