

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2017

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HOUSE BILL 43

Short Title: Automobile Insurance Regulatory Modernization. (Public)

Sponsors: Representatives Warren, Burr, Collins, and Millis (Primary Sponsors).  
*For a complete list of sponsors, refer to the North Carolina General Assembly web site.*

Referred to: Insurance, if favorable, Judiciary I

February 7, 2017

A BILL TO BE ENTITLED

AN ACT TO ALLOW AUTOMOBILE INSURERS TO ESTABLISH AND IMPLEMENT  
INSURER-SPECIFIC DRIVER INCENTIVE PLANS.

The General Assembly of North Carolina enacts:

**SECTION 1.** G.S. 58-36-65 is amended by adding a new section to read:

"(n) An insurer writing nonfleet private passenger motor vehicle insurance may, instead of setting rates pursuant to the Safe Driver Incentive Plan under subsection (b) of this section, elect to develop, file, and implement an insurer-specific driver incentive plan in accordance with the requirements of this subsection. An insurer that makes no election shall implement the Safe Driver Incentive Plan as filed by the North Carolina Rate Bureau.

(1) Contents of insurer-specific plan. – The insurer-specific driver incentive plan shall adequately and factually distinguish among various classes of drivers that have safe driving records and various classes of drivers that have a record of at-fault accidents, a record of traffic violations, or a combination thereof and provide for premium differentials among those classes of drivers that may provide for surcharges above and discounts below the rate otherwise charged.

(2) Procedures; revisions. – The insurer shall make its election by notifying the Commissioner in a form prescribed by the Commissioner. An election shall remain in effect until revised by the insurer. The driver incentive plan for an insurer electing to implement its own plan shall be filed with the Commissioner prior to its implementation and may be amended by the insurer provided that any such amendment shall apply only to policies written or renewed at least 30 days after filing the amended plan with the Commissioner.

(3) Scope of plan. – The plan shall apply only to drivers, risks, and coverages that have not been ceded to the North Carolina Reinsurance Facility, and the provisions of the Safe Driver Incentive Plan as developed and promulgated by the North Carolina Rate Bureau shall have no effect or application to drivers, risks, and coverages retained by an insurer that has made an election under this subsection and filed a driver incentive plan with the Commissioner."

**SECTION 2.** G.S. 58-36-75 is amended by adding a new subsection to read:

"(i) The provisions of this section shall have no effect or application to drivers, risks, and coverages retained by an insurer that has elected to file and has filed an insurer-specific driver incentive plan with the Commissioner under G.S. 58-36-65(n)."

**SECTION 3.** This act becomes effective September 1, 2017, and constitutes a recent act of the General Assembly within the meaning of G.S. 150B-21.1(a).

