



# SENATE BILL 315: Allow Self-Insurance as Proof of Fin. Resp.

2021-2022 General Assembly

<b>Committee:</b>	Senate Commerce and Insurance. If favorable, re-refer to Rules and Operations of the Senate	<b>Date:</b>	April 1, 2021
<b>Introduced by:</b>	Sen. Johnson	<b>Prepared by:</b>	Jeremy Ray
<b>Analysis of:</b>	First Edition		Committee Co-Counsel

**OVERVIEW:** *Senate Bill 315 would do all the following:*

- *Require the Division of Motor Vehicles (Division) to accept as evidence of proof of financial responsibility a certificate issued by the Commissioner of Motor Vehicles (Commissioner) indicating that an individual is a self-insurer.*
- *Prohibit the Division from imposing a restriction against operating a nonfleet motor vehicle when a self-insurance certification is furnished to the Division.*
- *Reduce the minimum number of vehicles required to be owned or leased by a religious organization to qualify as a self-insurer.*

**CURRENT LAW:** G.S. 20-279.33 and G.S. 20-279.33A govern self-insurance for motor vehicles.

Under G.S. 20-279.33, any person in whose name more than 25 motor vehicles are registered may qualify as a self-insurer if approved by the Commissioner. The Commissioner may issue a certificate when satisfied that such person is possessed and will continue to be possessed of ability to pay judgments obtained against such person.

Under G.S. 20-279.33A, any recognized religious organization may qualify as a self-insurer if approved by the Commissioner. Members of the religious organization must operate five or more vehicles that are registered in North Carolina to qualify.

**BILL ANALYSIS:** Senate Bill 315 would require the Division to accept as evidence of proof of financial responsibility a certificate issued by the Commissioner indicating that an individual is a self-insurer.

The Division would be prohibited from imposing a restriction against operating a nonfleet motor vehicle by a self-insured operator if a self-insurance certification is furnished to the Division as proof of financial responsibility.

The bill would also reduce the minimum number of vehicles required to be owned or leased by a religious organization to qualify as a self-insurer under G.S. 20-279.33A.

**EFFECTIVE DATE:** This act is effective when it becomes law and applies to all drivers license applications submitted on or after that date.

Jeffrey Hudson  
Director



Legislative Analysis  
Division  
919-733-2578