



SENATE BILL 134: Curb Underwriting Abuses.

2023-2024 General Assembly

Committee:	Senate Commerce and Insurance. If favorable, re-refer to Rules and Operations of the Senate	Date:	March 28, 2023
Introduced by:	Sen. Johnson	Prepared by:	Kristen L. Harris
Analysis of:	First Edition		Committee Co-Counsel

OVERVIEW: *Senate Bill 134 would create rules in the North Carolina Administrative Code for underwriting residential property and casualty insurance policies.*

BILL ANALYSIS:

Section 1 would define "residential property and casualty insurance" as insurance against loss to residential real property with not more than four housing units located in this State or any contents thereof or valuable interest therein and other insurance coverages written in connection with the sale of such property insurance.

Sections 2 and 4 would require the Commissioner of Insurance (COI) to implement the insurance underwriting requirements in Section 3 until permanent rules, with substantively identical language to Section 3, are adopted.

Section 3 would require residential property and casualty insurers:

- With new policies, to take no longer than 90 days to make any underwriting investigation, other than review of the initial application, and to bill the insured for proper rating and classification. Also, the insurer could not deny a claim based on underwriting a risk after the effective date of the policy and the presentation of a claim.
- With renewed policies, not to bill for any additional premium after a renewal quotation is made (for any condition which existed at the time of renewal.)

EFFECTIVE DATE AND SUNSET: This act would be effective October 1, 2023, and would expire when permanent rules adopted as required by Section 4 of this act become effective.

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