



SENATE BILL 332: Modify Beach Plan Policy Limits.

**This Bill Analysis
reflects the contents
of the bill as it was
presented in
committee.**

2023-2024 General Assembly

Committee:	Senate Commerce and Insurance. If favorable, re-refer to Rules and Operations of the Senate	Date:	April 25, 2023
Introduced by:	Sens. Johnson, Lazzara, Hanig	Prepared by:	Kristen L. Harris Committee Co-Counsel
Analysis of:	First Edition		

OVERVIEW: *Senate Bill 332 would increase the maximum amounts of insurance issued by the North Carolina Insurance Underwriting Association for both habitational and commercial properties, and beginning in 2024, allow the Association, subject to the approval of the Commissioner of Insurance, to recommend the maximum amounts of insurance to be issued.*

CURRENT LAW AND BILL ANALYSIS:

Sections 1(a) and (b) would increase the maximum amount of insurance issued by the Association for habitational properties from \$750,000 to \$1,000,000 and for commercial properties from \$3,000,000 to \$4,000,000. These changes would be effective June 1, 2023, and apply to contracts issued, amended, and renewed on or after that date.

Sections 2(a) and (b) would allow the Association, subject to the approval of the Commissioner, to recommend the maximum amounts of insurance for habitational and commercial properties. This change would be effective June 1, 2024, and apply to contracts issued, amended, and renewed on or after that date.

EFFECTIVE DATE: Except as otherwise provided, this act would be effective when it becomes law.

BACKGROUND: The Coastal Property Insurance Pool, formerly known as "the Beach Plan," is governed by the North Carolina Insurance Underwriting Association. The Association was created by the General Assembly in 1967 in Article 47 (Essential Property Insurance for Beach Area Property) of Chapter 58 (Insurance) of the General Statutes.

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