



SENATE BILL 332: Modify Beach Plan Policy Limits.

2023-2024 General Assembly

Committee:	Senate Rules and Operations of the Senate	Date:	April 26, 2023
Introduced by:	Sens. Johnson, Lazzara, Hanig	Prepared by:	Kristen L. Harris
Analysis of:	Second Edition		Staff Attorney

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.*

CURRENT LAW AND BILL ANALYSIS:

Section 1 would increase the maximum amount of insurance issued by the Association for habitational properties from \$750,000 to \$1,000,000. For commercial properties, the increase would be from \$3,000,000 to \$4,000,000 on any freestanding structure or building unit within multiple firewall divisions. The aggregate insurance on structures with multiple firewall divisions, previously capped at \$6,000,000, could not exceed \$10,000,000 on all interest at one risk.

EFFECTIVE DATE: These changes would be effective July 1, 2023, and apply to contracts issued, amended, and renewed on or after that date.

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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