

GENERAL ASSEMBLY OF NORTH CAROLINA
1987 SESSION

CHAPTER 421
SENATE BILL 768

AN ACT TO PROVIDE FOR POLICIES OF WINDSTORM AND HAIL
INSURANCE TO BE AVAILABLE THROUGH THE BEACH PLAN.

The General Assembly of North Carolina enacts:

Section 1. G.S. 58-173.8(b) reads as rewritten:

"(b) If the Association determines that the property is insurable and that there is no unpaid premium due from the applicant for prior insurance on the property, the Association upon receipt of the premium, or such portion thereof, as is prescribed in the plan of operation, shall cause to be issued a policy of essential property insurance and shall offer additional extended coverage and crime insurance, and separate policies of windstorm and hail insurance, for a term of one year. Any policy issued pursuant to the provisions of this section shall be renewed annually, upon application therefor, so long as the property meets the definition of 'insurable property' set forth in G.S. 58-173.2(5)."

Sec. 2. G.S. 58-173.8 is amended by adding a new subsection to read:

"(e) Policies of windstorm and hail insurance provided for in subsection (b) of this section are available only for risks for which fire insurance has been written by licensed insurers. In order to be eligible for a policy of windstorm and hail insurance, the applicant shall provide the Association, along with the premium payment for the windstorm and hail insurance, a certificate that the fire insurance is in force. Notwithstanding G.S. 58-173.10, the rates, rating plans, and rating rules for windstorm and hail insurance shall be filed by the Association with the Commissioner for his approval. The policy forms for windstorm and hail insurance shall be filed by the Association with the Commissioner for his approval before they may be used."

Sec. 3. Within 60 days after the effective date of this act, the Board of Directors of the Beach Plan shall submit a revised plan of operation for approval by the Commissioner in accordance with G.S. 58-173.7.

Sec. 4. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 19th day of June, 1987.