A BILL TO BE ENTITLED
AN ACT TO REQUIRE AERIAL ADVENTURE PARKS TO MAINTAIN CERTAIN MINIMUM INSURANCE COVERAGE, AS RECOMMENDED BY THE LEGISLATIVE RESEARCH COMMITTEE ON REGULATORY AND RATE ISSUES IN INSURANCE.

The General Assembly of North Carolina enacts:

SECTION 1. Chapter 66 of the General Statutes is amended by adding a new Article to read:


§ 66-450. Definitions.
The following definitions apply in this Article:

(1) Aerial adventure/trekking park. – A self-guided challenge course that is supervised and open to the public, where access is controlled.

(2) Canopy tour. – An aerial exploration or transit of the forest canopy, most commonly by means of a series of zip lines or aerial walkways with platforms.

(3) Challenge course. – A facility or facilities consisting of one or more elements that challenge participants. Examples of a challenge course include an aerial adventure/trekking park, a canopy tour, and a zip line tour.

(4) Commissioner. – The Commissioner of Insurance.

(5) Element. – An apparatus provided for a unit of activity on a challenge course. Examples of an element include items designed to simulate rock climbing, beams, bridges, cable traverses, climbing walls, nets, platforms, ropes, swings, towers, zip lines, and jump systems. Elements may be installed on or in trees, poles, portable structures, or buildings, or as part of a self-supporting structure.

(6) Person. – An individual, association, partnership, limited liability company, firm, corporation, or private organization.

(7) Zip line. – A lifeline suspended between support structures that enables a person attached to a pulley to traverse from one point to another propelled by the force of gravity or a passive method of controlled acceleration.

(8) Zip line tour. – An aerial exploration or transit of a landscape by means of a series of zip lines and platforms generally support by man-made structures.

(a) Insurance Required. – A person cannot own or operate a zip line, challenge course, or any other similar activity unless the person carries insurance coverage provided by an accepted insurer of at least one million dollars ($1,000,000) per occurrence and two million dollars
($2,000,000) in the aggregate. The insurance contract cannot include per person sublimits to
liability. A person required to be insured under this section must immediately notify the
Commissioner upon receipt of notice of cancellation, suspension, or nonrenewal of the policy.

(b) Proof of Insurance. – A person operating a zip line, challenge course, or similar activity
must provide proof of insurance coverage upon request by the Commissioner. Upon failure of the
person to provide proof of insurance, the Commissioner must prevent or stop operation of the
facility or activity until the person provides proof of the required insurance coverage.

(c) Acceptable Insurer. – The insurance contract must be provided by an insurer or surety
that is acceptable to the Commissioner and authorized to transact business in this State. The
Commissioner cannot accept any commercial general liability insurance policy unless it obligates
the insurer to give written notice to the person at least 30 days before any proposed cancellation,
suspension, or nonrenewal of the policy.

§ 66-452. Exceptions.
This Article does not apply to any one or more of the following:

(1) A zip line or challenge course installed at a private residence that is not open to
the public and for which no fee is charged.

(2) A zip line or challenge course owned or operated by the State, a unit of local
government, or any political subdivision thereof.

§ 66-453. Rule-making authority.
The Commissioner must adopt rules to implement this Article."

SECTION 2. The rule-making authority set out in G.S. 66-453, as enacted by Section
1 of this act, becomes effective when this act becomes law. The remainder of this act becomes
effective June 1, 2018.