A BILL TO BE ENTITLED
AN ACT TO PROVIDE FOR THE REPORTING BY THE DEPARTMENT OF INSURANCE
OF CERTAIN AGGREGATE PROPERTY INSURANCE CONSENT TO RATE DATA, AS
RECOMMENDED BY THE LEGISLATIVE RESEARCH COMMISSION COMMITTEE
ON REGULATORY AND RATE ISSUES IN INSURANCE.

The General Assembly of North Carolina enacts:

SECTION 1. G.S. 58-36-30(b1), as enacted by Section 1.3(a) of S.L. 2016-78, reads
as rewritten:

"(b1) This subsection applies only to insurance against loss to residential real property with
not more than four housing units. A rate in excess of that promulgated by the Bureau may be
charged by an insurer on any specific risk if the higher rate is charged in accordance with rules
adopted by the Commissioner and is charged with the knowledge and written consent of the
insured. An insurer shall give reasonable notice to the insured by including the following language
on the insurer's written consent to rate form in at least 14 point type, bolded, and underlined:

NOTICE: THE PREMIUM USING NORTH CAROLINA RATE BUREAU'S
APPROVED RATES FOR THE HOMEOWNER'S INSURANCE COVERAGE I
APPLIED FOR IS $______. THE PREMIUM FOR THIS COVERAGE IS $______.
THE TOTAL PERCENTAGE INCREASE ABOVE THE APPROVED RATES IS
______%.

The insurer shall provide the rate information on the disclosure statement above, as applicable,
to the insured. The disclosure statement noted above in this subsection shall be included on any
renewal of or endorsement to the policy for any subsequent increase above the manual rate
following the initial written consent of an insured. However, once an initial written consent to rate
is received, the insurer is not required to obtain the written consent of the insured on any renewal
of or endorsement to the policy. The insurer shall give at least 30 days' notice to the insured for all
written consents to rate and notices required under this subsection on all policy renewals and
endorsements. The insurer shall retain the signed consent form and other policy information for
each insured and make this information available to the Commissioner, upon request of the
Commissioner. Any data identifying individual insurers or insureds obtained by the Commissioner
under this subsection is proprietary and confidential and is not a public record under G.S. 132-1 or
G.S. 58-2-100. However, the Commissioner shall (i) collect annually from insurers, in a format
and manner designated by the Commissioner and (ii) publish on the Department's Web site no
later than July 1 the following data aggregated across all insurers for each geographical
rate-making territory:

(1) The percentage of policies for which a consent to rate has been obtained.
(2) The average difference between the manual premium and the consented premium."

SECTION 2. This act is effective when it becomes law.