

This week at the North Carolina General Assembly saw the Senate focus on completing its version of the State budget. The budget bill is **SB 202**, and it will now be sent to the House for further consideration. Because all Senate hands were on deck working on the budget, many Senate committee meetings this week were cancelled, including Senate Commerce. House Insurance did meet this week, and considered bills relating to structured settlement annuities being covered by the Insurance Guaranty Association and the Department of Correction being able to purchase medical liability coverage for its employees and contract service providers.

The House was again awash this week in newly filed bills. Today was the deadline for the filing of House bills, and many a bill of potential interest was filed. I have not yet had the opportunity to review them all in detail, but set forth below are thumbnail sketches of bills that may interest you.

Health Insurance Risk Pool

Rep. Jerry Dockham (R-Denton) introduced **HB 1293 – North Carolina Risk Pool Changes/Out-of-State Services** seeks to authorize the North Carolina Health Insurance Risk Pool to negotiate rates for services provided to persons covered under the Pool by out-of-state providers. Rep. Dockham also introduced **HB 1294 – North Carolina Risk Pool Clarifications** which would authorize the Risk Pool to provide premium subsidies if funds are available.

Viatical Settlements

Rep. Jerry Dockham introduced **HB 1040 – Amend Viatical Settlement Contract Definition**, an act which would amend the definition of viatical settlement contracts to include an exception for certain accredited investors.

State Health Plan

HB 1247 – State Health Plan/Employee Only Premium was introduced by Rep. Phil Haire (D-Sylva), would require state employees hired on and after October 1, 2009, and certain retirees, to pay a premium for coverage under the State Health Plan for Teachers and State Employees. **HB 1102 – Funds/Study State Health Plan** was introduced by Rep. Hugh Holliman. It would provide an unspecified appropriation for the study of the State Health Plan so that recommendations might be made to address issues affecting the Plan's long term viability.

DOI Legislative Package

HB 1313 - Regulate Public Adjusters – Agency Bill seeks to provide for meaningful regulation of insurance public adjusters. It was introduced by Representatives Bruce Goforth (D-Asheville) and Michael Wray (D-Gaston Co.)

HB 1314 – Annual Financial Reporting – Agency Bill, also introduced by Representatives Bruce Goforth (D-Asheville) and Michael Wray (D-Gaston Co.), seeks to improve the Insurance Commissioner's ability to monitor the financial condition of insurers.

HB 1159 – Insurance Licensing Changes – Agency Bill would clarify the laws on insurance business entity licenses, provide for a staggered license system for certain insurance licensees, clarify the law on appointments of insurance adjusters, provide for electronic filings with the DOI, and clarify the law on the appointment of agents by insurance companies.

HB 1161 – Revise Insurance Financial Conditions – Agency Bill is an act at the request of the Insurance Commissioner to provide teachers and state employees and their dependents the same protection in disaster situations as other insured persons in this state.

HB 1162 – Department of Insurance Disaster Powers Apply to State Health Plan – Agency Bill is an act at the request of the Insurance Commissioner to provide teachers and state employees and their dependents the same protection in disaster situations as other insured persons in this state.

HB 1164 – Modernize Health Maintenance Organizations Oversight Requirements is an act requested by the Commissioner of Insurance to eliminate obsolete data collection requirements for health maintenance organizations.

HB 1166 – Insurance Law Changes – Agency Bill is an act to make various changes in the laws governing insurance producers and brokers, bail bondsmen, motor clubs, premium finance companies, and collection agencies.

HB 1183 – Health and Other Insurance Law Changes - Agency Bill is an act to make various changes in the laws governing health insurance and managed care; to change certain health insurance laws to comport with recent congressional enactments; to make a technical correction in a credit insurance law; and to repeal the expiration date of the interstate insurance product regulation compact act.

Tort Reform

HB 1226 – Statute of Repose/Products Liability was introduced by Representatives Jimmy Love (D-Sanford), Rep. Bill Faison (D-Durham), Rep. Dan Blue (R-Raleigh) and Rep. Tim Moore (R-Shelby). This bill is proposed in an effort to clarify and reform the statutes of limitation and repose in product liability actions.

HB 1370 – Reform Medical Malpractice Evidentiary Rules was introduced by Rep. Bill Faison (D-Durham). This measure seeks to permit introduction of evidence regarding defendants' insurance coverage for liability in any civil action.

Auto Insurance

HB 1061 – Revise Uninsured Motorists/Underinsured Motorists Liability Coverage Requirements would attempt to remove the mandatory nature of UM/UIM coverage that was initiated last year.

HB 1310 – Insurance Premium Discount/Prevention Course was introduced by Rep. Alice Graham Underhill (D-New Bern). **HB 1310** would provide for automobile insurance premium discounts of at least ten percent for certain persons who complete accident prevention courses.

HB 1321 – Allow Uninsured Motorist/Underinsured Motorist Coverage Choice was introduced by Rep. Edgar Starnes (R-Hickory) and would restore motorist choice with respect to uninsured and underinsured motor vehicle coverage.

Property Insurance

Rep. Hugh Holliman (D-Lexington) introduced **HB 1305 – Beach Plan Changes**. This legislation would make changes to the North Carolina Beach Plan as recommended by the Joint Select Study Committee on the Potential Impact of Major Hurricanes on the North Carolina Insurance Industry.

The pace of new introductions should come to a close, with the exception of appropriations matters. The House will begin crafting its version of the State budget after receiving the Senate's approach. The good news is that the General Assembly has adjourned for the week, to return on Monday, April 13. I shall stay in touch, and hope your Easter weekend is a safe and happy one.

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