

GENERAL ASSEMBLY OF NORTH CAROLINA
1995 SESSION

CHAPTER 730
HOUSE BILL 1199

AN ACT TO REVISE THE DEFINITION OF NONFLEET MOTOR VEHICLE TO ALLOW FLEXIBILITY FOR THE NUMBER OF AUTOMOBILES THAT MAY BE WRITTEN UNDER A PERSONAL AUTOMOBILE INSURANCE POLICY AS RECOMMENDED BY THE LEGISLATIVE RESEARCH COMMISSION'S COMMITTEE ON INSURANCE AND INSURANCE-RELATED ISSUES AND TO PROVIDE THAT THERE ARE NO REINSURANCE FACILITY RECOUPMENT SURCHARGE OR SAFE DRIVER INCENTIVE PLAN SURCHARGES FOR CERTAIN ACCIDENTS OCCURRING DURING RESPONSES TO EMERGENCIES.

The General Assembly of North Carolina enacts:

Section 1. G.S. 58-40-10(2) reads as rewritten:

"(2) 'Nonfleet' motor vehicle means a motor vehicle not eligible for classification as a fleet vehicle for the reason that the motor vehicle is:

- a. ~~One of four or fewer motor vehicles owned or hired under a long term contract by a policy named insured; or~~
- b. ~~One of five or more private passenger motor vehicles owned or hired under a long term contract:~~
 - 1. ~~By an individual who is a policy named insured;~~
 - 2. ~~Jointly by two or more individuals who are policy named insureds and are residents in the same household; or~~
 - 3. ~~Jointly by two or more individuals who are policy named insureds and are related by blood, marriage, or adoption.~~

is one of four or fewer motor vehicles hired under a long-term contract or owned by the insured named in the policy."

Sec. 2. Article 36 of Chapter 58 of the General Statutes is amended by adding a new section to read:

"§ 58-36-2. Private passenger motor vehicles; number of nonfleet policies.

Notwithstanding the definition of 'nonfleet' in G.S. 58-40-10(2), the Bureau shall adopt rules, subject to the Commissioner's approval, that specify the circumstances under which more than four private passenger motor vehicles may be covered under a nonfleet private passenger motor vehicle policy that is subject to this Article."

Sec. 3. G.S. 58-36-75(d) reads as rewritten:

"(d) There shall be no Facility recoupment surcharge under G.S. 58-37-40(f) or Safe Driver Incentive Plan surcharges under G.S. 58-36-65 for accidents occurring when only operating a firefighting, rescue squad, or law enforcement vehicle in

accordance with G.S. 20-125(b) and in response to an emergency if the operator of the vehicle at the time of the accident was a paid or volunteer member of any fire department, rescue squad, or any law enforcement agency. This exception does not include an accident occurring after the vehicle ceases to be used in response to the emergency and the emergency ceases to exist."

Sec. 4. Sections 1 and 2 of this act become effective January 1, 1997, and apply to policies written on or after that date. The remainder of this act is effective upon ratification.

In the General Assembly read three times and ratified this the 21st day of June, 1996.

Dennis A. Wicker
President of the Senate

Harold J. Brubaker
Speaker of the House of Representatives