

**GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2005**

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SENATE BILL 881

Short Title: Insurance Points for Lapse in Auto Coverage. (Public)

Sponsors: Senators Garrou; and Goodall.

Referred to: Commerce.

March 23, 2005

A BILL TO BE ENTITLED

1 AN ACT TO REQUIRE THE COMMISSIONER OF INSURANCE AND THE
2 NORTH CAROLINA RATE BUREAU TO ADOPT RULES TO ASSIGN
3 INSURANCE POINTS FOR LAPSES IN MOTOR VEHICLE LIABILITY
4 POLICIES.
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6 The General Assembly of North Carolina enacts:

7 **SECTION 1.** The Commissioner of Insurance and the North Carolina Rate
8 Bureau shall adopt rules to assign insurance points when a motor vehicle liability policy
9 required by Article 9A of Chapter 20 of the General Statutes, Motor Vehicle Safety and
10 Financial Responsibility Act of 1953, lapses more than once in a 36-month period. The
11 minimum number of points to be assigned shall be one point for the second lapse of
12 coverage and two points for the third and any subsequent lapses during the 36-month
13 period.

14 Rules shall be adopted pursuant to this section by January 1, 2006.

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