

**GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2005**

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HOUSE BILL 1236

Short Title: Insurance Bd. of Governors Membership.

(Public)

Sponsors: Representative Holliman.

Referred to: Insurance.

April 18, 2005

A BILL TO BE ENTITLED

1
2 AN ACT TO REPLACE THE ALLIANCE OF AMERICAN INSURERS AND
3 NATIONAL ASSOCIATION OF INDEPENDENT INSURERS WITH THE
4 PROPERTY CASUALTY INSURERS ASSOCIATION OF AMERICA AND THE
5 NATIONAL ASSOCIATION OF MUTUAL INSURANCE COMPANIES AS
6 TRADE ASSOCIATION MEMBERS WHICH MUST BE REPRESENTED ON
7 THE BOARD OF GOVERNORS OF THE NORTH CAROLINA REINSURANCE
8 FACILITY.

9 The General Assembly of North Carolina enacts:

10 **SECTION 1.** G.S. 58-37-35(d) reads as rewritten:

11 "(d) The Facility shall be administered by a Board of Governors. The Board of
12 Governors shall consist of 12 members having one vote each from the classifications
13 specified in this subsection and the Commissioner, who shall serve ex officio without
14 vote. Each Facility insurance company member serving on the Board shall be
15 represented by a senior officer of the company. Not more than one company in a group
16 under the same ownership or management shall be represented on the Board at the same
17 time. Five members of the Board shall be selected by the member insurers, which
18 members shall be fairly representative of the industry. To insure representative member
19 insurers, one each shall be selected from the following trade associations: the American
20 Insurance Association (or its successors), ~~the Alliance of American Insurers (or its~~
21 ~~successors), the National Association of Independent Insurers (or its successors),~~ the
22 National Association of Mutual Insurance Companies (or its successors), the Property
23 Casualty Insurers Association of America (or its successors), all other stock insurers not
24 affiliated with those trade associations, and all other nonstock insurers not affiliated
25 with those trade associations. The Commissioner shall appoint two members of the
26 Board who are Facility insurance company members domiciled in this State. The
27 Commissioner shall appoint five members of the Board who shall be fire and casualty
28 insurance agents licensed in this State and actively engaged in writing motor vehicle
29 insurance in this State. The initial term of office of the Board members shall be two

1 years. Following completion of initial terms, successors to the members of the original
2 Board of Governors shall be selected to serve three years. All members of the Board of
3 Governors shall serve until their successors are selected and qualified and the
4 Commissioner may fill any vacancy on the Board from any of the classifications
5 specified in this subsection until the vacancies are filled in accordance with this Article.
6 The Board of Governors of the Facility shall also have as nonvoting members two
7 persons who are not employed by or affiliated with any insurance company or the
8 Department and who are appointed by the Governor to serve at the Governor's
9 pleasure."

10 **SECTION 2.** This act becomes effective October 1, 2005.