

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1995

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SENATE BILL 973

Pensions and Retirement/Insurance/State Personnel Committee Substitute Adopted 6/14/95

Appropriations Committee Substitute No. 2 Adopted 6/30/95

House Committee Substitute Favorable 7/12/95

Fifth Edition Engrossed 7/25/95

Short Title: Workers' Compensation Rating Law.

(Public)

Sponsors:

Referred to:

May 3, 1995

A BILL TO BE ENTITLED

AN ACT TO CREATE THE NORTH CAROLINA WORKERS' COMPENSATION LOSS COSTS RATING LAW.

The General Assembly of North Carolina enacts:

Sec. 1. G.S. 58-36-1(3) reads as rewritten:

"(3) The Bureau shall have the duty and responsibility of promulgating and proposing rates for insurance against loss to residential real property with not more than four housing units located in this State and any contents thereof or valuable interest therein and other insurance coverages written in connection with the sale of such property insurance; for insurance against theft of or physical damage to private passenger (nonfleet) motor vehicles; for liability insurance for such motor vehicles, automobile medical payments insurance, uninsured motorists coverage and other insurance coverages written in connection with the sale of such liability insurance; ~~and~~ and, as provided in G.S. 58-

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1 36-100, for loss costs and residual market rate filings for workers'
2 compensation and employers' liability insurance written in connection
3 therewith. The provisions of this subdivision shall not apply to motor
4 vehicles operated under certificates of authority from the Utilities
5 Commission, the Interstate Commerce Commission, or their successor
6 agencies, where insurance or other proof of financial responsibility is
7 required by law or by regulations specifically applicable to such
8 certificated vehicles. The Bureau shall have no jurisdiction over excess
9 workers' compensation insurance for employers qualifying as self-
10 insurers as provided in G.S. 97-93; nor shall the Bureau's jurisdiction
11 include farm buildings, farm dwellings and their appurtenant structures,
12 farm personal property or other coverages written in connection with
13 farm real or personal property; travel or camper trailers designed to be
14 pulled by private passenger motor vehicles, unless insured under
15 policies covering nonfleet private passenger motor vehicles; residential
16 real and personal property insured in multiple line insurance policies
17 covering business activities as the primary insurable interest; and
18 marine, general liability, burglary and theft, glass, and animal collision
19 insurance, except when such coverages are written as an integral part of
20 a multiple line insurance policy for which there is an indivisible
21 premium."

22 Sec. 2. G.S. 58-36-15 reads as rewritten:

23 "**§ 58-36-15. Filing loss costs, rates, plans with Commissioner; public inspection of**
24 **filings.**

25 (a) The Bureau shall file with the Commissioner copies of the rates, loss costs,
26 classification plans, rating plans and rating systems used by its members. Each rate filing
27 shall become effective on the date specified in the filing, but not earlier than 105 days
28 from the date the filing is received by the Commissioner: Provided that (1) rate filings for
29 workers' compensation insurance and employers' liability insurance written in connection
30 therewith shall not become effective earlier than 120 days from the date the filing is
31 received by the ~~Commissioner~~, Commissioner or on the date as provided under G.S. 58-
32 36-100, whichever is earlier; and (2) any filing may become effective on a date earlier
33 than that specified in this subsection upon agreement between the Commissioner and the
34 Bureau.

35 (b) A filing shall be open to public inspection immediately upon submission to the
36 Commissioner.

37 (c) The Bureau shall maintain reasonable records, of the type and kind reasonably
38 adapted to its method of operation, of the experience of its members and of the data,
39 statistics or information collected or used by it in connection with the rates, rating plans,
40 rating systems, loss costs and other data as specified in G.S. 58-36-100, underwriting
41 rules, policy or bond forms, surveys or inspections made or used by it.

42 (d) With respect to the filing of rates for nonfleet private passenger motor vehicle
43 insurance, the Bureau shall, on or before February 1 of each year, or later with the

1 approval of the Commissioner, file with the Commissioner the experience, data, statistics,
2 and information referred to in subsection (c) of this section and any proposed adjustments
3 in the rates for all member companies of the Bureau. The filing shall include, where
4 deemed by the Commissioner to be necessary for proper review, the data specified in
5 subsections (c), (e), (g) and (h) of this section. Any filing that does not contain the data
6 required by this subsection may be returned to the Bureau and not be deemed a proper
7 filing. Provided, however, that if the Commissioner concludes that a filing does not
8 constitute a proper filing he shall promptly notify the Bureau in writing to that effect,
9 which notification shall state in reasonable detail the basis of the Commissioner's
10 conclusion. The Bureau shall then have a reasonable time to remedy the defects so
11 specified. An otherwise defective filing thus remedied shall be deemed to be a proper
12 and timely filing, except that all periods of time specified in this Article will run from the
13 date the Commissioner receives additional or amended documents necessary to remedy
14 all material defects in the original filing.

15 (e) The Commissioner may require the filing of supporting data including:

- 16 (1) The Bureau's interpretation of any statistical data relied upon;
- 17 (2) Descriptions of the methods employed in setting the rates;
- 18 (3) Analysis of the incurred losses submitted on an accident year or policy
19 year basis into their component parts; to wit, paid losses, reserves for
20 losses and loss expenses, and reserves for losses incurred but not
21 reported;
- 22 (4) The total number and dollar amount of paid claims;
- 23 (5) The total number and dollar amount of case basis reserve claims;
- 24 (6) Earned and written premiums at current rates by rating territory;
- 25 (7) Earned premiums and incurred losses according to classification plan
26 categories; and
- 27 (8) Income from investment of unearned premiums and loss and loss
28 expense reserves generated by business within this State.

29 Provided, however, that with respect to business written prior to January 1, 1980, the
30 Commissioner shall not require the filing of such supporting data which has not been
31 required to be recorded under statistical plans approved by the Commissioner.

32 (f) On or before September 1 of each calendar year the Bureau shall submit to the
33 Commissioner the experience, data, statistics, and information referred to in subsection
34 (c) of this section and required under G.S. 58-36-100 and a residual market rate or
35 prospective loss costs review based on such data for workers' compensation insurance
36 and employers' liability insurance written in connection therewith. Any rate increase for
37 such insurance that is implemented pursuant to this Article shall become effective solely
38 to such insurance as is written having an inception date on or after the effective date of
39 the rate increase.

40 (g) The following information must be included in policy form, rule, and rate
41 filings under this Article and under Article 37 of this Chapter:

- 42 (1) A detailed list of the rates, rules, and policy forms filed, accompanied
43 by a list of those superseded; and

1 (2) A detailed description, properly referenced, of all changes in policy
2 forms, rules, prospective loss costs, and rates, including the effect of
3 each change.

4 (h) Except to the extent the Commissioner determines that this subsection is
5 inapplicable to filings made under G.S. 58-36-100 and except for filings made under G.S.
6 58-36-30, all policy form, rule, prospective loss costs, and rate filings under this Article
7 and Article 37 of this Chapter that are based on statistical data must be accompanied by
8 the following properly identified information:

9 (1) North Carolina earned premiums at the actual and current rate level;
10 losses and loss adjustment expenses, each on paid and incurred bases
11 without trending or other modification for the experience period,
12 including the loss ratio anticipated at the time the rates were
13 promulgated for the experience period;

14 (2) Credibility factor development and application;

15 (3) Loss development factor derivation and application on both paid and
16 incurred bases and in both numbers and dollars of claims;

17 (4) Trending factor development and application;

18 (5) Changes in premium base resulting from rating exposure trends;

19 (6) Limiting factor development and application;

20 (7) Overhead expense development and application of commission and
21 brokerage, other acquisition expenses, general expenses, taxes, licenses,
22 and fees;

23 (8) Percent rate or prospective loss costs change;

24 (9) Final proposed rates;

25 (10) Investment earnings, consisting of investment income and realized plus
26 unrealized capital gains, from loss, loss expense, and unearned premium
27 reserves;

28 (11) Identification of applicable statistical plans and programs and a
29 certification of compliance with them;

30 (12) Investment earnings on capital and surplus;

31 (13) Level of capital and surplus needed to support premium writings
32 without endangering the solvency of member companies; and

33 (14) Such other information that may be required by any rule adopted by the
34 Commissioner.

35 Provided, however, that no filing may be returned or disapproved on the grounds that
36 such information has not been furnished if insurers have not been required to collect such
37 information pursuant to statistical plans or programs or to report such information to the
38 Bureau or to statistical agents, except where the Commissioner has given reasonable prior
39 notice to the insurers to begin collecting and reporting such information, or except when
40 the information is readily available to the insurers.

41 (i) The Bureau shall file with and at the time of any rate or prospective loss costs
42 filing all testimony, exhibits, and other information on which the Bureau will rely at the
43 hearing on the rate filing. The Department shall file all testimony, exhibits, and other

1 information on which the Department will rely at the hearing on the rate filing 20 days in
2 advance of the convening date of the hearing. Upon the issuance of a notice of hearing
3 the Commissioner shall hold a meeting of the parties to provide for the scheduling of any
4 additional testimony, including written testimony, exhibits or other information, in
5 response to the notice of hearing and any potential rebuttal testimony, exhibits, or other
6 information. This subsection also applies to rate filings made by the North Carolina
7 Motor Vehicle Reinsurance Facility under Article 37 of this Chapter."

8 Sec. 3. Article 36 of Chapter 58 of the General Statutes is amended by adding
9 a new section to read:

10 "**§ 58-36-100. Prospective loss costs filings and final rate filings for workers'**
11 **compensation and employers' liability insurance.**

12 (a) Nothing in this section requires the Bureau or its member insurers to refile
13 rates previously implemented before two years after the effective date of this section.
14 Any member insurer of the Bureau may continue to use all rates and deviations filed and
15 approved for its use until disapproved, or the insurer makes its own filing to change its
16 rates, either by making an independent filing or by filing a reference filing adoption form
17 adopting the Bureau's prospective loss costs, or modification thereof. Except as provided
18 in subsection (m) of this section, with the initial prospective loss costs reference filing,
19 the Bureau shall no longer develop or file any minimum premiums, minimum premium
20 formulas, or expense constants. If an insurer wishes to amend minimum premium
21 formulas, it must file, for approval, the minimum premium rules, formulas, or amounts it
22 proposes to use.

23 (b) Definitions. As used in this section, the following terms have the following
24 meanings:

- 25 (1) 'Expenses'. – That portion of a rate attributable to acquisition, field
26 supervision, collection expenses, general expenses, as determined by the
27 insurer.
- 28 (2) 'Developed losses'. – Losses (including loss adjustment expenses)
29 adjusted, using standard actuarial techniques, to eliminate the effect of
30 differences between current payment or reserve estimates and those
31 needed to provide actual ultimate loss (including loss adjustment
32 expense) payments.
- 33 (3) 'Insurer'. – A member insurer or group.
- 34 (4) 'Loss trending'. – Any procedure for projecting developed losses to the
35 average date of loss for the period during which the policies are to be
36 effective.
- 37 (5) 'Multiplier'. – An insurer's determination of the expenses, other than loss
38 expense and loss adjustment expense, associated with writing workers'
39 compensation and employers' liability insurance, which shall be
40 expressed as a single nonintegral number to be applied equally and
41 uniformly to the prospective loss costs approved by the Commissioner
42 in making rates for each classification of risks utilized by that insurer.

1 (6) 'Prospective loss costs'. – That portion of a rate that does not include
2 provisions for expenses (other than loss adjustment expenses) or profit;
3 and that are based on historical aggregate losses and loss adjustment
4 expenses adjusted through development to their ultimate value and
5 projected through trending to a future point in time.

6 (7) 'Rate'. – The cost of insurance per exposure unit, whether expressed as a
7 single number or as a prospective loss cost with an adjustment to
8 account for the treatment of expenses, profit, and variations in loss
9 experience, prior to any application of individual risk variations based
10 on loss or expense considerations, and does not include minimum
11 premiums.

12 (8) 'Supplementary rating information'. – Includes any manual or plan of
13 rates, classification, rating schedule, minimum premium, policy fee,
14 rating rule, rate-related underwriting rule, experience rating plan,
15 statistical plan and any other similar information needed to determine
16 the applicable rate in effect or to be in effect.

17 (c) Except as provided in subsection (m) of this section, for workers' compensation
18 and employers' liability insurance written in connection with workers' compensation
19 insurance, the Bureau shall no longer develop or file advisory final rates that contain
20 provisions for expenses (other than loss adjustment expenses) and profit. The Bureau
21 shall instead develop and file for approval with the Commissioner, in accordance with
22 this section, reference filings containing advisory prospective loss costs and the
23 underlying loss data and other supporting statistical and actuarial information for any
24 calculations or assumptions underlying these loss costs. Loss-based assessments, any tax
25 levied by the State or any political subdivision of the State, licensing costs, and fees will
26 be included in prospective loss costs.

27 (d) After a reference filing has been filed with the Commissioner and approved,
28 the Bureau shall provide its member insurers with a copy of the approved reference
29 filing. The Bureau may print and distribute manuals of prospective loss costs as well as
30 rules and other supplementary rating information described in subsection (k) of this
31 section.

32 (e) Each insurer shall independently and individually determine the final rates it
33 will file for approval and the effective date of any rate changes. If an insurer decides to
34 use the prospective loss costs in the approved reference filing in support of its own filing,
35 the insurer shall make a filing for approval using the reference filing adoption form. The
36 insurer's rates shall be the combination of the prospective loss costs and the loss
37 multiplier contained in the reference filing adoption form. Insurers may file
38 modifications of the prospective loss costs in the approved reference filing based on their
39 own anticipated experience. Supporting documentation is required for any upward or
40 downward modifications of the prospective loss costs in the approved reference filing. A
41 filing made with the Commissioner by an insurer under this subsection is deemed to be
42 approved, if not disapproved by the Commissioner in writing within 60 days after the
43 filing is made.

1 (f) The summary of supporting information form shall contain a reference to
2 examples of how to apply an insurer's loss cost modification factor to the Bureau's
3 prospective loss costs. Insurers may vary expense loads by individual classification or
4 grouping. Insurers may use variable or fixed expense loads or a combination of these to
5 establish their expense loadings. Each filing that varies the expense load by class shall
6 specify the expense factor applicable to each class and shall include information
7 supporting the justification for the variation. However, insurers shall file data in
8 accordance with the uniform statistical plan approved by the Commissioner. Insurers
9 may offer premium discount plans.

10 (g) An insurer may request to have its loss multiplier remain on file and reference
11 all subsequent prospective loss costs reference filings. Upon receipt of subsequent
12 approved Bureau reference filings, the insurer's rates shall be the combination of the
13 prospective loss costs and the loss multiplier contained in the reference filing adoption
14 form on file with the Commissioner, and will be effective on or after the effective date of
15 the prospective loss costs. The insurer need not file anything further with the
16 Commissioner. If an insurer that has filed to have its loss multiplier remain on file with
17 the Department intends to delay, modify, or not adopt a particular Bureau reference
18 filing, the insurer must make an appropriate filing with the Commissioner. The insurer's
19 filed loss multiplier shall remain in effect until the insurer withdraws it or files and
20 receives approval of a revised reference filing adoption form.

21 (h) An insurer may file such other information that the insurer considers relevant
22 and shall provide such other information as may be requested by the Commissioner.
23 When a filing is not accompanied by the information required under this section, the
24 Commissioner shall inform the filer within 30 days after the initial filing that the filing is
25 incomplete and describe what additional information is required. A filing is complete
26 when the required information is furnished or when the filer certifies to the
27 Commissioner that the additional information required by the Commissioner is not
28 maintained or cannot be provided.

29 (i) To the extent that an insurer's final rates are determined solely by applying its
30 loss multiplier, as presented in the reference filing adoption form, to the prospective loss
31 costs contained in the Bureau's reference filing and printed in the Bureau's rating manual,
32 the insurer need not develop or file its final rate pages with the Commissioner. If an
33 insurer chooses to print and distribute final rate pages for its own use, based solely upon
34 the application of its filed loss costs, the insurer need not file those pages with the
35 Commissioner. If the Bureau does not print the loss costs in its manual, the insurer must
36 submit its rates to the Commissioner.

37 (j) For reference filings filed by the Bureau:

38 (1) If the insurer has filed to have its loss multiplier remain on file,
39 applicable to subsequent reference filings, and a new reference filing is
40 filed and approved and if:

41 a. The insurer decides to use the revision of the prospective loss
42 costs and effective date as filed, then the insurer does not file
43 anything with the Commissioner. Rates are the combination of

- 1 the prospective loss costs and the on-file loss multiplier and
2 become effective on the effective date of the loss costs.
- 3 b. The insurer decides to use the prospective loss costs as filed but
4 with a different effective date, then the insurer must notify the
5 Commissioner of its effective date before the effective date of the
6 loss costs.
- 7 c. The insurer decides to use the revision of the prospective loss
8 costs, but wishes to change its loss multiplier, then the insurer
9 must file for approval a revised reference filing adoption form
10 before the effective date of the reference filing.
- 11 d. The insurer decides not to revise its rates using the prospective
12 loss costs, then the insurer must notify the Commissioner before
13 the effective date of the loss costs.
- 14 (2) If an insurer has not elected to have its loss multiplier remain on file,
15 applicable to future prospective loss costs reference filings, and a new
16 reference filing is filed and approved, and if:
- 17 a. The insurer decides to use the prospective loss costs to revise its
18 rates, then the insurer must file a reference filing adoption form
19 for approval including its effective date.
- 20 b. The insurer decides not to use the revisions, then the insurer does
21 not file anything with the Commissioner.
- 22 (k) The Bureau shall file with the Commissioner, for approval, filings containing a
23 revision of rules and supplementary rating information. This includes policy-writing
24 rules, rating plans, classification codes and descriptions, and rules that include factors or
25 relativities, such as employers' liability increased limits factors, classification relativities,
26 or similar factors, but excludes minimum premiums. The Bureau may print and
27 distribute manuals of rules and supplementary rating information, excluding minimum
28 premiums.
- 29 (1) If a new filing of rules, relativities, and supplementary rating information is
30 filed by the Bureau and approved and if:
- 31 (1) The insurer decides to use the revisions and effective date as filed
32 together with the loss multiplier on file with the Commissioner, then the
33 insurer shall not file anything with the Commissioner.
- 34 (2) The insurer decides to use the revisions as filed but with a different
35 effective date, then the insurer must notify the Commissioner of its
36 effective date before the approved Bureau filing's effective date.
- 37 (3) The insurer decides not to use the revision, then the insurer must notify
38 the Commissioner before the Bureau filing's effective date.
- 39 (4) The insurer decides to use the revision with modifications, then the
40 insurer must file the modification with the Commissioner, for approval,
41 specifying the basis for the modification and the insurer's proposed
42 effective date if different than the Bureau filing's effective date.
- 43 (m) The Bureau shall file all of the following with the Commissioner:

- 1 (1) Final workers' compensation rates and rating plans for the residual
- 2 market.
- 3 (2) The uniform classification plan and rules.
- 4 (3) The uniform experience rating plan and rules.
- 5 (4) A uniform policy form to be used by member insurers for voluntary and
- 6 residual market business.
- 7 (5) Advisory manual workers' compensation rates to be used for the sole
- 8 purpose of computing the premium tax liability of self-insurers under
- 9 G.S. 105-228.5.

10 (n) The rates filed under subdivision (m)(1) of this section shall be set at levels to self-
11 fund the residual market, provide adequate premiums to pay losses and expenses,
12 establish appropriate reserves, and provide a reasonable margin for underwriting profit
13 and contingencies.

14 (o) Every insurer shall adhere to the uniform classification plan, experience rating
15 plan, and policy form filed by the Bureau."

16 Sec. 4. Effective September 1, 1997, G.S. 58-36-100(a), as enacted in Section
17 3 of this act, reads as rewritten:

18 "(a) Nothing in this section requires the Bureau or its member insurers to refile
19 rates previously implemented before two years after the effective date of this section.
20 Any member insurer of the Bureau may continue to use all rates and deviations filed and
21 approved for its use until disapproved, or the insurer makes its own filing to change its
22 rates, either by making an independent filing or by filing a reference filing adoption form
23 adopting the Bureau's prospective loss costs, or modification thereof. Except as provided
24 in subsection (m) of this section, with the initial prospective loss costs reference filing,
25 the Bureau shall no longer develop or file any minimum premiums, minimum premium
26 formulas, or expense constants. If an insurer wishes to amend minimum premium
27 formulas, it must ~~file, for approval,~~ file the minimum premium rules, formulas, or amounts
28 it proposes to use."

29 Sec. 5. Effective September 1, 1997, G.S. 58-36-100(e), as enacted in Section
30 3 of this act, reads as rewritten:

31 "(e) Each insurer shall independently and individually determine the final rates it
32 will ~~file for approval~~ and the effective date of any rate changes. If an insurer decides to
33 use the prospective loss costs in the approved reference filing in support of its own filing,
34 the insurer shall make a filing ~~for approval~~ using the reference filing adoption form. The
35 insurer's rates shall be the combination of the prospective loss costs and the loss
36 multiplier contained in the reference filing adoption form. Insurers may file
37 modifications of the prospective loss costs in the approved reference filing based on their
38 own anticipated experience. Supporting documentation is required for any upward or
39 downward modifications of the prospective loss costs in the approved reference filing. ~~A~~
40 ~~filing made with the Commissioner by an insurer under this subsection is deemed to be~~
41 ~~approved, if not disapproved by the Commissioner in writing within 60 days after the filing is~~
42 ~~made."~~

1 Sec. 6. Effective September 1, 1997, G.S. 58-36-100(g), as enacted in Section
2 3 of this act, reads as rewritten:

3 "(g) An insurer may request to have its loss multiplier remain on file and reference
4 all subsequent prospective loss costs reference filings. Upon receipt of subsequent
5 approved Bureau reference filings, the insurer's rates shall be the combination of the
6 prospective loss costs and the loss multiplier contained in the reference filing adoption
7 form on file with the Commissioner, and will be effective on or after the effective date of
8 the prospective loss costs. The insurer need not file anything further with the
9 Commissioner. If an insurer that has filed to have its loss multiplier remain on file with
10 the Department intends to delay, modify, or not adopt a particular Bureau reference
11 filing, the insurer must make an appropriate filing with the Commissioner. The insurer's
12 filed loss multiplier shall remain in effect until the insurer withdraws it or files ~~and~~
13 ~~receives approval of~~ a revised reference filing adoption form. The provisions of G.S. 58-
14 40-20, 58-40-30, 58-40-35, and 58-40-45 apply to filings made by insurers under this
15 section."

16 Sec. 7. Effective September 1, 1997, G.S. 58-36-100(j), as enacted in Section
17 3 of this act, reads as rewritten:

18 "(j) For reference filings filed by the Bureau:

- 19 (1) If the insurer has filed to have its loss multiplier remain on file,
20 applicable to subsequent reference filings, and a new reference filing is
21 filed and approved and if:
- 22 a. The insurer decides to use the revision of the prospective loss
23 costs and effective date as filed, then the insurer does not file
24 anything with the Commissioner. Rates are the combination of
25 the prospective loss costs and the on-file loss multiplier and
26 become effective on the effective date of the loss costs.
 - 27 b. The insurer decides to use the prospective loss costs as filed but
28 with a different effective date, then the insurer must notify the
29 Commissioner of its effective date before the effective date of the
30 loss costs.
 - 31 c. The insurer decides to use the revision of the prospective loss
32 costs, but wishes to change its loss multiplier, then the insurer
33 must file ~~for approval~~ a revised reference filing adoption form
34 before the effective date of the reference filing.
 - 35 d. The insurer decides not to revise its rates using the prospective
36 loss costs, then the insurer must notify the Commissioner before
37 the effective date of the loss costs.
- 38 (2) If an insurer has not elected to have its loss multiplier remain on file,
39 applicable to future prospective loss costs reference filings, and a new
40 reference filing is filed and approved, and if:
- 41 a. The insurer decides to use the prospective loss costs to revise its
42 rates, then the insurer must file a reference filing adoption form
43 ~~for approval~~ including its effective date.

1 b. The insurer decides not to use the revisions, then the insurer does
2 not file anything with the Commissioner."

3 Sec. 8. Effective September 1, 1997, G.S. 58-36-100(l), as enacted in Section
4 3 of this act, reads as rewritten:

5 "(l) If a new filing of rules, relativities, and supplementary rating information is
6 filed by the Bureau and approved and if:

7 (1) The insurer decides to use the revisions and effective date as filed
8 together with the loss multiplier on file with the Commissioner, then the
9 insurer shall not file anything with the Commissioner.

10 (2) The insurer decides to use the revisions as filed but with a different
11 effective date, then the insurer must notify the Commissioner of its
12 effective date before the approved Bureau filing's effective date.

13 (3) The insurer decides not to use the revision, then the insurer must notify
14 the Commissioner before the Bureau filing's effective date.

15 (4) The insurer decides to use the revision with modifications, then the
16 insurer must file the modification with the Commissioner, ~~for approval,~~
17 specifying the basis for the modification and the insurer's proposed
18 effective date if different than the Bureau filing's effective date."

19 Sec. 9. Notwithstanding G.S. 58-36-15(f), the Bureau may make its 1995
20 filing after September 1, 1995.

21 Sec. 10. There is appropriated from the Department of Insurance Fund under
22 G.S. 58-6-25 to the Department of Insurance the sum of two hundred thousand nine
23 hundred thirty dollars (\$200,930) for fiscal year 1995-96 and the sum of one hundred
24 eighty-two thousand eighty-eight dollars (\$182,088) for fiscal year 1996-97 to defray the
25 Department's costs in reviewing filings under this act and otherwise implementing the
26 provisions of this act.

27 Sec. 11. Section 10 of this act is effective July 1, 1995. The remainder of this
28 act is effective upon ratification.