

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1997

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HOUSE BILL 1115

Short Title: Church Insurance Coverage.

(Public)

Sponsors: Representatives Boyd-McIntyre, Grady (Cosponsors); Adams, Aldridge, Alexander, Baddour, Black, Blue, Bonner, Bowie, Braswell, Cansler, Carpenter, Clary, Crawford, Culp, Culpepper, Cunningham, Davis, Dedmon, Dickson, Earle, Easterling, Esposito, Fitch, Fox, Gamble, Gardner, Hackney, Hall, Hardaway, Hensley, Hightower, Hill, Howard, H. Hunter, Hurley, Insko, Jarrell, Jeffus, Kinney, Luebke, McAllister, McCrary, Mercer, Michaux, Miller, Miner, Mitchell, Moore, Morris, Mosley, Nichols, Oldham, Owens, Preston, Reynolds, Russell, Saunders, Sexton, Sherrill, Smith, Starnes, Sutton, Tolson, Wainwright, Warner, Warwick, Watson, Wilkins, Womble, Wright, and Yongue.

Referred to: Insurance.

April 21, 1997

A BILL TO BE ENTITLED

1 AN ACT TO PROHIBIT THE CANCELLATION OF INSURANCE POLICIES THAT
2 PROVIDE COVERAGE FOR CHURCHES FOR LOSSES RESULTING FROM A
3 FIRE.
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5 The General Assembly of North Carolina enacts:

6 Section 1. Article 43 of Chapter 58 of the General Statutes is amended by
7 adding a new section to read:

8 "**§ 58-43-40. Cancellation of fire insurance for buildings owned by religious**
9 **organizations prohibited in certain circumstances.**

10 (a) An insurer shall not cancel or decline to renew an insurance policy providing
11 coverage for losses resulting from fire for a building owned by a religious organization
12 solely because of:

- 1 (1) A previous occurrence of arson, unless the occurrence of arson was the
2 act of an official of the religious organization that owns the building; or
3 (2) An oral or written statement directed to the religious organization or an
4 official of the religious organization and threatening an act of arson
5 against the religious organization.
- 6 (b) As used in this section, 'religious organization' means any church,
7 ecclesiastical, or denominational organization, or any established physical place for
8 worship in this State at which nonprofit religious services and activities are regularly
9 conducted.
- 10 (c) The Commissioner may revoke, suspend, or refuse to renew the license of any
11 insurer that violates this section pursuant to G.S. 58-3-100."
- 12 Section 2. This act becomes effective October 1, 1997, and applies to
13 insurance policies issued or renewed on or after January 1, 1998.