

establishment of a FAIR Plan (fair access to insurance requirements), an Industry Placement Facility and a Joint Reinsurance Association;

(5) To establish a fund to be known as the "District of Columbia Insurance Development Fund" to provide financial back-up for the Insurance Placement Program and Joint Reinsurance Association established herein, or to provide financial back-up to enable insurers to qualify for riot and civil disorder reinsurance under the National Insurance Development Corporation Act of 1968 or any other Act of the Congress of the United States which will similarly provide reinsurance or financial back-up to accomplish the purposes of this Act.

SEC. 3. As used in this Act, unless the context otherwise requires:

(1) "Superintendent" means the Superintendent of Insurance of the District of Columbia;

(2) "Basic property insurance" means the coverage against direct loss provided in the Standard Fire Policy and Extended Coverage Endorsement and such vandalism and malicious mischief or such other classes of insurance as may be added with respect to said property by the Industry Placement Facility with the approval of the Superintendent, but shall not include insurance on automobile, farm and manufacturing risks;

(3) "Inspection Bureau" means the fire insurance rating bureau or any other organization designated by the Industry Placement Facility with the approval of the Superintendent to make inspections to determine the condition of the properties for which basic property insurance is sought and to perform such other duties as may be authorized by the Industry Placement Facility;

(4) "Industry Placement Facility" (hereinafter referred to as the Facility) means the organization formed by insurers licensed to write and engaged in writing basic property insurance (including homeowners and commercial multi-peril policies) within the District of Columbia to assist applicants in securing basic property insurance and to formulate and administer a program for the equitable apportionment among such insurers of such basic property insurance;

(5) "Premiums written" means gross direct premiums charged with respect to property in the District of Columbia on all policies of basic property insurance, and the basic property insurance premium components of all multi-peril policies, as computed by the Facility with the approval of the Superintendent, less return premiums, dividends, paid or credited to policyholders, or the unused or unabsorbed portions of premium deposits.

(6) "Property owner" means any person having an insurable interest in real, personal, or mixed real and personal property.

SEC. 4. (a) Any person having an insurable interest in real or tangible personal property in the District of Columbia who after diligent effort, has been unable to obtain basic property insurance shall be entitled, upon application to the Facility, to an inspection of the property by representatives of the Inspection Bureau. Such request must be made by the applicant and may be transmitted by the applicant or by his authorized representative.

(b) The manner and scope of the inspection and the form of the inspection report shall be prescribed by the Facility with the approval of the Superintendent. The inspection shall include, but need not be limited to, pertinent structural and occupancy features as well as the general condition of the building and surrounding structures; a representative photograph of the property may be taken as part of the inspection.

(c) Promptly after the request for inspection is received, an inspection shall be made and an inspection report filed with the company or companies designated by the Facility. Copy of the completed inspection report shall be sent to the Facility and made available to the applicant.

SEC. 5. Within thirty days after the effective date of this Act, all insurers licensed to write and engaged in writing in the District of Columbia, on a direct basis, basic property insurance or any component thereof in multi-peril policies, shall establish an Industry Placement Facility to formulate and administer a program with the approval of the Superintendent, for the equitable apportionment among such insurers of basic property insurance which may be afforded applicants in urban areas whose property is insurable, without regard to neighborhood or area location, in accordance with reasonable underwriting standards but who, after diligent effort, are unable to procure such insurance through normal channels. Each such insurer, as a condition of its authority to transact