

(d) "Inspection bureau" means the rating bureau or other organization designated by the Commissioner to perform inspections to determine the condition of the properties for which basic property insurance is sought.

(e) "Industry placement facility" means the facility formed by all insurers licensed to write and engaged in writing basic property insurance (including homeowners and commercial multiperil policies) within the District of Columbia to assist agents, brokers and applicants in securing basic property insurance.

(f) "Premiums written" means gross direct premiums written on all policies of such basic property insurance as may be designated by the Commissioner and such basic property insurance components of all multiperil policies as may be designated and computed by the Commissioner, less all premiums and dividends returned to policyholders or the unused or unabsorbed portions of premium deposits.

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

FAIR ACCESS TO INSURANCE REQUIREMENTS

SEC. 4. The Commissioner is authorized to adopt such rules and regulations applicable to insurers, agents, and brokers as he deems necessary to assure all property owners fair access to basic property insurance through the normal insurance markets, including, but not limited to, rules and regulations concerning—

- (a) the manner and scope of inspections of risks by an inspection bureau;
- (b) the preparation and filing of inspection reports and reports on actions taken in connection with inspected risks, and summaries thereof;
- (c) prohibition against penalizing agents and brokers for soliciting applications for insurance on properties which are inspected; and
- (d) the operation of an industry placement facility.

INDUSTRY PLACEMENT FACILITY

SEC. 5. (a) 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 multiperil policies, shall establish an Industry Placement Facility to formulate and administer a program, subject to disapproval by the Commissioner in whole or in part, to seek the equitable apportionment among such insurers of basic property insurance which may be afforded applicants in the District of Columbia whose property is insurable in accordance with reasonable underwriting standards and who individually or through their insurance agent or broker request the aid of the Facility to procure such insurance. The Facility shall seek to place insurance with one or more participating companies up to the full insurable value of the risk, if requested, except to the extent that deductibles, percentage participation clauses and other underwriting devices are employed to meet special problems of insurability.

(b) Each such insurer shall participate in the Industry Placement Facility program in accordance with the established rules of the program as a condition of its authority to transact such kinds of insurance in the District of Columbia: *Provided*, That in lieu of revoking or suspending the certificate of authority of any company for any failure to comply with the requirements of this subsection, the Commissioner may subject such company to a penalty of not more than \$5,000 when in his judgment he finds that the public interest would be best served by the continued operation of the company in the District of Columbia.

JOINT UNDERWRITING ASSOCIATION

SEC. 6. (a) The Commissioner is authorized to establish by order of a joint underwriting association if he finds, after notice and hearing, that such association is necessary to carry out the purposes of this Act. Such joint underwriting association shall consist of all insurers licensed to write and engaged in writing in the District of Columbia, on a direct basis, such basic property insurance as may be designated by the Commissioner or any component thereof in multiperil policies.

(b) Every such insurer shall be and remain a member of the association and shall comply with all requirements of membership as a condition of its authority to transact such kinds of insurance in the District of Columbia: *Provided*, That