

(H.R. 17607, 90th Cong., second sess., by Mr. O'Konski on June 3, 1968; and H.R. 18149 by Mr. Brasco on June 26, 1968.)

A BILL To establish a joint underwriting association to provide fire, extended coverage, and essential property insurance in the District of Columbia

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, as used in this Act—

(1) The term "association" means the joint underwriting association established under the provisions of this Act.

(2) The term "Commissioner" means the Commissioner of the District of Columbia.

(3) The term "environmental hazard" means any hazardous condition that might give rise to loss under an insurance contract, but which is beyond the control of the property owner.

(4) The term "essential property insurance" means (A) insurance against direct loss to property as defined and limited in standard fire policies and extended coverage endorsements on such policies, as approved by the Commissioner, and (B) insurance for such types, classes, and locations of property against the perils of vandalism, malicious mischief, burglary, theft, holdup, and robbery. Such term shall not include automobile insurance and insurance on such types of manufacturing risks as may be excluded by the Commissioner.

(5) The term "extended coverage insurance" means insurance coverage against direct loss to property by windstorm, hail, explosion, riot, riot attending a strike, civil commotion, aircraft, vehicles, and smoke.

(6) The term "fire insurance" means insurance coverage against loss of or damage to any property resulting from fire.

(7) The term "insurable property" means real or personal property anywhere in the District of Columbia with an insurable value not in excess of the limits provided in the plan of operation of the association and in no event more than \$1,500,000, which property is determined by the association, after inspection and under criteria specified in the plan of operation, to be in insurable condition. Neighborhood or area location shall not be considered in determining insurable condition and property shall not be deemed insurable which has characteristics of ownership, condition, occupancy, or maintenance which are violative of public policy.

(8) The term "insurer" includes any insurance company or group of companies under common ownership which is authorized to engage in the insurance business under the laws of the District of Columbia.

(9) The term "net direct premiums" means gross direct premiums written on property in the District of Columbia for fire, extended coverage, and essential property insurance (including the fire, extended coverage, and essential property components of homeowners and commercial multiple peril package policies) as computed by the Commissioner less return premiums or the unused or unabsorbed portions of premium deposits.

(10) The term "person" includes any individual or group of individuals, corporation, partnership, association, or any other organized group of persons.

(11) The term "plan of operation" means the plan of operation approved under section 2 of this Act.

(12) The term "pool" means any pool or association of insurance companies in the District of Columbia which is formed, associated, or otherwise created for the purpose of making property insurance more readily available.

(13) The term "property owner", with respect to any real, personal, or other property, means any person having an insurable interest in such property.

(14) The term "standard line of property insurance" includes insurance providing coverage against—

- (A) fire and related hazards,
- (B) vandalism and malicious mischief,
- (C) burglary and theft,
- (D) robbery,
- (E) inland marine damage,
- (F) broken glass,
- (G) boiler and machinery damage,
- (H) ocean marine damage, and
- (I) aircraft physical damage,

and insurance providing such other coverages as are generally offered to the public (including protection against damage from riot or civil commotion) as the Commissioner by regulation may determine.