

The Panel will provide a focus, the Mayor said, for drawing upon the talents and resources of all segments of the community. It will provide a forum for receiving community views and for suggesting means by which insurance can be made more readily available and other insurance problems can be solved.

The Panel was asked to consider, among other things, methods of:

Developing programs to train residents of the inner city as insurance agents and brokers, and to fill other jobs in the insurance industry.

Making contractors' surety bonds more readily available.

Channeling insurance industry investment dollars into the inner city.

Increasing the availability of insurance against burglary and theft.

Developing means to assure greater use of loss prevention methods and devices to reduce losses from burglary, theft, and other crimes.

This cooperative program, the Mayor said, is necessary to meet the insurance needs of the District. It implements the program recommended by the President's Insurance Advisory Panel, which has received widespread endorsement. It should go far toward correcting the serious problems of property insurance availability in the District of Columbia.

At a recent second meeting with representatives of the insurance industry, the Mayor asked the insurance industry, on a voluntary basis, to carry out the FAIR Plan. The insurance representatives are to report back promptly to Mr. Jordon on their views for implementing a FAIR Plan. They pledged their assistance in working toward the Mayor's overall insurance goals.

Represented at this meeting were: Firemen's Insurance Company of D.C.; National Association of Insurance Agents; Jefferson & American Home Insurance Companies; D.C. Association of Insurance Agents; Insurance Company of North America, Washington, D.C.; National Association of Independent Insurers; Insurance Company of North America; American Mutual Insurance Alliance; Kemper Insurance Group; National Association of Mutual Insurance Agents.

(Attachments: Copy of proposed FAIR Plan, copy of Letter to Executive Officers of all insurance companies licensed to do business in the District of Columbia.)

DISTRICT OF COLUMBIA PLAN TO PROVIDE FAIR ACCESS TO INSURANCE REQUIREMENTS

FAIR PLAN

Purpose

This plan is designed to make insurance available for all dwelling, mercantile and other buildings, and their contents, located within the District of Columbia, which meet reasonable underwriting standards, regardless of general area location. If a property meets, or is improved to meet reasonable underwriting standards, insurance will be available at standard premiums.

Risk eligibility

This plan applies to all property risks except automobile risks.

Coverage

This plan applies to applications for the following insurance coverage:

1. Fire and Extended Coverage
2. Vandalism and Malicious Mischief
3. Such other property insurance coverages for such types, classes, and locations of property as may be designated by the Mayor.

The plan

1. No application for insurance of a risk embraced within this plan will be denied insurance by any agent, broker, or company authorized to do business in the District of Columbia unless there has been a physical inspection of the premises and a determination by the company, based on that inspection, that issuance of coverage violates reasonable underwriting standards at the applicable premium rate.

2. If the inspection discloses that the property is not insurable at standard rates, the owner will be advised by, or on behalf of, the company of the specific improvements or repairs which must be made to meet reasonable underwriting standards at standard rates.

3. Physical inspections will be made available by the inspection staff of the Insurance Rating Bureau of the District of Columbia. The insurance company