

APPENDIX

DISTRICT OF COLUMBIA INSURANCE PLACEMENT ACT

(Subsequent to the foregoing hearing, similar legislation for the District of Columbia was Included as Title XII of the Housing and Urban Development Act of 1968, S. 3497, approved Aug. 1, 1968, P.L. 90-448)

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TITLE XII—DISTRICT OF COLUMBIA INSURANCE PLACEMENT ACT

SHORT TITLE

SEC. 1201. This title may be cited as the "District of Columbia Insurance Placement Act".

DECLARATION OF PURPOSE

SEC. 1202. The purposes of this title are—

(1) to assure stability in the property insurance market for property located in the District of Columbia;

(2) to assure the availability of basic property insurance as defined by this title;

(3) to encourage maximum use, in obtaining basic property insurance, of the normal insurance market provided by authorized insurers; and

(4) to provide for the equitable distribution among insurers of the responsibility for insuring qualified property in the District of Columbia for which insurance cannot be obtained through the normal insurance market and to authorize the establishment of a joint underwriting association in the District of Columbia to provide for reinsuring of basic property insurance without regard to environmental hazards.

DEFINITIONS

SEC. 1203. As used in this title, unless the context otherwise requires—

(1) The term "Commissioner" means the Commissioner of the District of Columbia or his designated agent.

(2) The term "basic property insurance" means (1) insurance against direct loss to property caused by perils as defined and limited in the standard fire policy and extended coverage endorsement thereon, as approved by the Commissioner, and (2) such other insurance (including insurance against the perils of vandalism, malicious mischief, burglarly, theft, and robbery) as the Commissioner may designate (under regulations adopted or made under section 1205 of this title) from those lines of property insurance for which reinsurance is available for losses from riots or civil disorders under part B of title XII of the National Housing Act.

(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 "inspection bureau" means any 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.

(5) The terms "Industry Placement Facility" and "Facility" mean the facility consisting of 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.