



NORTH CAROLINA DEPARTMENT OF INSURANCE
RALEIGH, NORTH CAROLINA

IN THE MATTER OF THE FILING)	BEFORE THE COMMISSIONER
DATED FEBRUARY 3, 2025 BY THE)	OF INSURANCE
NORTH CAROLINA RATE BUREAU FOR)	
REVISED AUTOMOBILE INSURANCE)	
RATES – PRIVATE PASSENGER CARS)	Docket No. 2266
AND MOTORCYCLES)	

SETTLEMENT AGREEMENT
AND CONSENT ORDER

It appearing to the Commissioner of Insurance (“Commissioner”) that the North Carolina Rate Bureau (“Rate Bureau”) and the North Carolina Department of Insurance (“Department”) have, after consultation with their respective legal, actuarial, and economic advisors and subject to approval by the Commissioner and the conditions hereinafter set forth, entered into a settlement of all matters and things in dispute in connection with the Rate Bureau’s filing for private passenger automobile insurance rates dated February 3, 2025, as that filing has been amended on March 6, 2025 and May 30, 2025 (the “2025 Filing”); and it further appearing to the Commissioner that such settlement results in rates that are neither excessive, inadequate, unreasonable, or unfairly discriminatory, that such settlement is in the public interest, that such settlement is fair and reasonable and should be approved, and that, to the extent the current rates and/or the filed rates differ from the rates approved by this Settlement Agreement and Consent Order, the current rates and/or the filed rates are either excessive, inadequate, unreasonable, or unfairly discriminatory.

NOW, THEREFORE, IT IS ORDERED AND AGREED as follows:

1. The 2025 Filing is approved subject to the modifications set forth in Paragraphs 2, 3, 4, and 5 below.

2. The approved rate level changes, relative to the currently approved manual rate levels, are as set forth below.

	EARNED PREMIUMS* AT PRESENT <u>MANUAL RATES</u>	EFFECTIVE RATE LEVEL <u>CHANGE (A)</u>
Auto Liability:		
Bodily Injury	\$2,031,347	1.8%
Property Damage	2,206,408	14.0%
Medical Payments	144,549	0.0%
Uninsured Motorists	220,000	20.3%
Underinsured Motorists	426,688	14.7%
Auto Liability Total	\$5,028,992	9.0%
Auto Physical Damage:		
Comprehensive	\$1,291,777	2.5%
Collision	3,441,089	0.0%
Auto Physical Damage Total	\$4,732,866	0.7%
Auto GRAND TOTAL	\$9,761,858	5.0%
MOTORCYCLE LIABILITY	\$78,428	-16.3%

* In thousands.

(A) Effective changes after whole dollar rounding of rates.

The base rates approved for private passenger cars as a result of these approved changes are set forth on Exhibit A, which is attached hereto and incorporated herein by reference. The motorcycle relativities approved as a result of these approved changes are set forth on Exhibit B, which is attached hereto and incorporated herein by reference.

3. The approved Collision coverage deductible relativities and Comprehensive coverage deductible relativities for private passenger cars as a result of these approved changes are set forth on Exhibit C, which is attached hereto and incorporated herein by reference.

4. The approved inexperienced operator surcharges for private passenger cars as a result of these approved changes, including new categories up to eight (8) years of driving experience, are set forth on Exhibit D, which is attached hereto and incorporated herein by reference.

5. The approved Extended Transportation Coverage rates for private passenger cars as a result of these approved changes are set forth on Exhibit E, which is attached hereto and incorporated herein by reference.

6. The Rate Bureau will submit a review of liability increased limit factors as a part of the automobile insurance rate review or rate filing to be submitted on or before February 1, 2026 (or Monday, February 2, 2026).

7. The approved changes shall be implemented in accordance with the following rule of application:

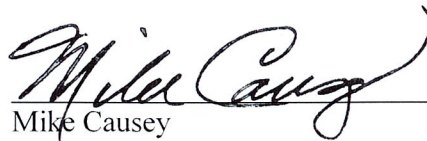
This rate change is applicable to all policies becoming effective on or after October 1, 2025. No policy effective prior to October 1, 2025 shall be endorsed or cancelled and rewritten to take advantage of or to avoid the application of this rate change except at the request of the insured and at the customary short rate charges as of the date of such request, but in no event prior to October 1, 2025.

8. Subject to the provisions of Paragraph 9 below, the rates resulting from the rate level changes described in Paragraph 2 above shall remain in force until October 1, 2026 and thereafter until revised as provided by law, and neither the Rate Bureau nor the Commissioner nor the Department shall undertake to effect a change in such rates having an effective date prior to October 1, 2026; provided, however, that nothing in this section shall prevent a change in such rates prior to October 1, 2026 if agreed to by the Rate Bureau and the Commissioner.

9. Notwithstanding any other provision of this Settlement Agreement and Consent Order, in the event of legislative or judicial action subsequent to the date of this Settlement Agreement and Consent Order which changes premium taxes, regulatory fees, the statutory ratemaking methodology, rate level need, or loss or expense exposure of insurers, either the Rate Bureau or the Commissioner shall have the right to take such action as is within the Rate Bureau's or the Commissioner's statutory authority to effect a change in rates prior to October 1, 2026 for the sole purpose of adjusting rates to reflect the effects of such legislative or judicial action. Further, either the Rate Bureau or the Commissioner shall have the right to take such action as is within the Rate Bureau's or the Commissioner's statutory authority to adjust rate relativities, classifications, and rules in the event of legislative or judicial action subsequent to the date of this Settlement Agreement and Consent Order making such adjustment appropriate. Further, nothing herein shall prevent the Rate Bureau from taking such action as is within its statutory authority to revise or update territory definitions to reflect any ZIP code changes.

10. This Settlement Agreement and Consent Order shall not be construed to condone, validate, accept, or agree to the Bureau's, the Department's, or the Commissioner's theories, methodologies, or calculations pertaining to the setting of insurance rates for private passenger cars and motorcycles.

This 6 day of June, 2025.



Mike Causey
Commissioner of Insurance for
the State of North Carolina

WE CONSENT:

NORTH CAROLINA RATE BUREAU

BY: Joanna Bilisurios

NORTH CAROLINA DEPARTMENT OF INSURANCE

BY: (Sikam) Romball

#6896933

NORTH CAROLINA

PRIVATE PASSENGER AUTOMOBILE INSURANCE

APPROVED BASE RATES - LIABILITY

<u>Terr</u> <u>Code</u>	<u>\$50,000/100,000</u> <u>Bodily Injury</u>	<u>\$50,000</u> <u>Property Damage</u>	<u>\$500</u> <u>Medical Payments</u>
110	\$213	\$302	\$13
120	256	297	17
130	286	316	19
140	400	358	26
150	342	392	21
170	212	314	17
180	260	367	21
190	231	375	15
200	303	381	22
210	226	268	18
220	330	309	22
230	408	336	25
240	347	329	21
250	365	434	27
260	286	371	21
270	219	370	15
280	332	448	24
290	295	400	19
300	202	358	14
310	182	314	12
320	215	307	13
340	340	426	23
350	243	337	16
360	273	344	19
370	303	399	21
380	339	427	22
390	264	407	17
420	471	515	38
440	333	429	26
450	382	445	25
460	236	370	17
470	287	372	18
480	176	285	12
490	175	315	14

NORTH CAROLINA

PRIVATE PASSENGER AUTOMOBILE INSURANCE

APPROVED PHYSICAL DAMAGE BASE RATES (A)

<u>Terr</u> <u>Code</u>	<u>FULL COVERAGE</u> <u>COMPREHENSIVE</u>	<u>\$100 DEDUCTIBLE</u> <u>COLLISION</u>
110	\$134	\$647
120	221	746
130	189	738
140	148	865
150	151	760
170	112	631
180	133	752
190	83	658
200	114	711
210	102	553
220	245	773
230	175	857
240	190	760
250	127	917
260	142	759
270	98	676
280	111	864
290	126	843
300	102	673
310	117	631
320	159	696
340	127	891
350	109	699
360	123	741
370	115	811
380	154	869
390	101	786
420	143	1104
440	115	864
450	117	923
460	110	767
470	156	781
480	163	705
490	110	724

(A) MODEL YEAR 2026 SYMBOL 11

Memorandum - North Carolina Personal Auto Manual
 Matter underlined is new; matter in brackets [] is deleted.

14. MISCELLANEOUS COVERAGES(Cont'd)

A. Combined Uninsured/Underinsured Motorists Bodily Injury Coverage and Uninsured Motorists Property Damage Coverage

1.a.

1.b. Rates

The per policy rates for Combined Uninsured/Underinsured Motorists Bodily Injury Coverage are as follows:

	B.I. UM/UIM Coverage	
	Single Vehicle* Policy	Multi-Vehicle* Policy
\$ 50/100	\$ [55] <u>64</u>	\$ [136] <u>158</u>
100/200	[84] <u>97</u>	[207] <u>240</u>
100/300	[87] <u>101</u>	[215] <u>249</u>
250/500	[142] <u>164</u>	[351] <u>405</u>
300/300	[150] <u>174</u>	[371] <u>430</u>
500/500	[175] <u>202</u>	[432] <u>499</u>
500/1,000	[181] <u>209</u>	[447] <u>516</u>
1,000/1,000	[226] <u>261</u>	[558] <u>645</u>

The per policy rates for Uninsured Motorists Property Damage Coverage sold with Combined Uninsured/Underinsured Motorist Bodily Injury Coverage are as follows:

	P.D. UM Coverage	
	Single Vehicle* Policy	Multi-Vehicle* Policy
\$ 50,000	[3] <u>4</u>	[7] <u>10</u>
100,000	[4] <u>5</u>	[10] <u>12</u>
250,000	[6] <u>7</u>	[15] <u>17</u>
500,000	[8] <u>9</u>	[20] <u>22</u>
750,000	[10] <u>12</u>	[25] <u>30</u>
1,000,000	[11] <u>13</u>	[27] <u>32</u>

For limits other than those shown, charge the premium for the next higher limit.

*For the purposes of this rule, the term vehicle includes a private passenger auto, low speed vehicle, modified utility vehicle, motorcycle, golf cart, or other miscellaneous type vehicle.

These rates are not subject to modification under the provisions of any rating plan or other manual rule.

Memorandum - North Carolina Personal Auto Manual
 Matter underlined is new; matter in brackets [] is deleted.

19. MISCELLANEOUS TYPES (Cont'd)

- B. Motorcycles, Motorscooters, Motorbikes, Mopeds and Other Similar Motor Vehicles Not Used for Commercial Purposes.

Liability Coverages Only.

With respect to voluntary risks and "clean risks" ceded to the North Carolina Reinsurance Facility, determine the appropriate premium by applying the following factors to the applicable voluntary private passenger bodily injury, property damage, and medical payments rates. For Combined Uninsured/Underinsured Motorists Coverage, charge the applicable private passenger premium shown in Rule 14.

Engine Size Cubic Centimeters (cc)	Bodily Injury and Property Damage	Medical Payments*
0-499	[0.10]0.08	[0.35]0.29
500-1249	[0.17]0.13	[0.35]0.29
1250-1499	[0.25]0.19	[0.35]0.29
1500-up	[0.32]0.25	[0.35]0.29

*Note: Medical Payments coverage for these vehicles is not eligible for cession to the North Carolina Reinsurance Facility.

(Remainder of rule is unchanged.)

Memorandum - North Carolina Personal Auto Manual
Matter underlined is new; matter in brackets [] is deleted.

14. MISCELLANEOUS COVERAGES (Cont'd)

B. Deductible Insurance

3. Comprehensive Deductibles For Which No Premiums Are Shown

- | | | |
|-----------------------|---|--|
| \$50 Deduct. (003) | - | Charge [96] <u>97</u> % of the Full Coverage Comprehensive Premium |
| \$100 Deduct. (010) | - | Charge [93] <u>95</u> % of the Full Coverage Comprehensive Premium |
| \$250 Deduct. (055) | - | Charge [84] <u>88</u> % of the Full Coverage Comprehensive Premium |
| \$500 Deduct. (726) | - | Charge [70] <u>77</u> % of the Full Coverage Comprehensive Premium |
| \$1,000 Deduct. (727) | - | Charge [58] <u>65</u> % of the Full Coverage Comprehensive Premium |

NORTH CAROLINA
PRIVATE PASSENGER AUTOMOBILE INSURANCE

INEXPERIENCED OPERATOR SURCHARGES
INCLUDING NEW CATEGORIES UP TO 8 YEARS DRIVING EXPERIENCE

Approved Surcharges - Single Car

<u>Operator*</u>	<u>Liability Coverages</u>	<u>Collision Coverage</u>	<u>Comprehensive Coverage</u>
Principal < 1 year driving	2.50	2.10	0.20
Occasional <1 year driving	1.50	1.00	0.10
Principal < 2 years driving	1.40	1.20	0.20
Occasional <2 years driving	0.75	0.60	0.00
Principal < 3 years driving	1.05	0.90	0.20
Occasional < 3 years driving	0.60	0.40	0.00
Principal < 4 years driving	0.85	0.70	0.15
Occasional < 4 years driving	0.50	0.30	0.00
Principal < 5 years driving	0.65	0.50	0.15
Occasional < 5 years driving	0.40	0.20	0.00
Principal < 6 years driving	0.50	0.30	0.10
Occasional < 6 years driving	0.30	0.10	0.00
Principal < 7 years driving	0.30	0.20	0.10
Occasional < 7 years driving	0.20	0.00	0.00
Principal < 8 years driving	0.20	0.10	0.00
Occasional < 8 years driving	0.10	0.00	0.00

Approved Surcharges - Multi-Car

<u>Operator*</u>	<u>Liability Coverages</u>	<u>Collision Coverage</u>	<u>Comprehensive Coverage</u>
Principal < 1 year driving	2.15	1.75	0.10
Occasional <1 year driving	1.15	0.65	0.00
Principal < 2 years driving	1.05	0.85	0.10
Occasional <2 years driving	0.40	0.25	-0.10
Principal < 3 years driving	0.70	0.55	0.10
Occasional < 3 years driving	0.25	0.05	-0.10
Principal < 4 years driving	0.50	0.35	0.05
Occasional < 4 years driving	0.15	-0.05	-0.10
Principal < 5 years driving	0.30	0.15	0.05
Occasional < 5 years driving	0.05	-0.15	-0.10
Principal < 6 years driving	0.15	-0.05	0.00
Occasional < 6 years driving	-0.05	-0.25	-0.10
Principal < 7 years driving	-0.05	-0.15	0.00
Occasional < 7 years driving	-0.15	-0.35	-0.10
Principal < 8 years driving	-0.15	-0.25	-0.10
Occasional < 8 years driving	-0.25	-0.35	-0.10

* Shaded Categories are new.

NORTH CAROLINA

EXTENDED TRANSPORTATION COVERAGE RATES

<u>Daily/Monthly Limit</u>	<u>Approved Rate (\$)</u>
\$15/\$450	19
\$30/\$900	37
\$50/\$1500	59
\$75/\$2250	84
\$100/\$3000	107