



February 6, 2014

City Council
City Hall
Durham, North Carolina 28401

Dear Mayor and Councilmembers:

The North Carolina Rate Bureau, in its capacity as a representative of the insurance industry, has requested from the Department of Insurance a 24.4% rate increase for homeowner's insurance in the City of Durham and 32.1% rate for the County. Many eastern and western North Carolina counties have been hit with rate increases in every rate cycle since 1992, including 2002, 2005, 2007, 2009 and 2012.

Homeowners in Durham communities already pay homeowner's premiums two times the rate charged for the same type of homeowners policies (fire, theft, etc.), in addition to having separate flood, as well as wind and hail, policies.

Durham County as well as other counties in North Carolina is experiencing difficult economic times. Additional increases would once again place an undue and excessive burden on Homeowners and the economy in communities.

This resolution opposes any increase in homeowner's insurance rates. Passage of the attached Resolution is recommended.

Respectfully submitted,

Gloria De Los Santos
Action NC
Durham Director

Carolyn Rodgers
Chair of Action NC
Senior Committee
Durham Chapter

5500 Executive Center Drive | Suite 234 | Charlotte, NC 28212 | 704.625.4050
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RESOLUTION

Introduced By: Gloria De Los Santos, Durham Director Action NC

Date: 2/6/2014

Resolution Opposing Any Further Homeowners Insurance Rate Increase

LEGISLATIVE INTENT/PURPOSE:

WHEREAS, the North Carolina Rate Bureau, in its capacity as a representative of the insurance industry, has requested from the Department of Insurance a 24.4% for the city of Durham and 32.1% for the County rate increase in homeowner's insurance for large parts of Durham County;

WHEREAS, many western North Carolina counties have been hit with rate increases in every rate cycle since 1992, including 2002, 2005, 2007, 2009; and again in 2012; and

WHEREAS, homeowners in Durham communities already pay homeowner's premiums two to three times the rate charged for the same type of homeowners policies (fire, theft, etc.) of inland properties, in addition to having separate flood, as well as wind and hail, policies; and

WHEREAS, the City of Durham, as well as other counties in North Carolina, are experiencing difficult economic times that are currently gripping our nation; and

WHEREAS, additional increases would once again place an undue and excessive burden on Homeowners and the economy in communities; and

WHEREAS, does not justify this rate increase, especially since significant losses were experienced in areas other than the coast of North Carolina.

THEREFORE, BE IT RESOLVED:

THAT, Action NC and AARP Chapter 189 ask the City of Durham Council to oppose any rate increase in homeowner's insurance requested by the North Carolina Rate Bureau, and find it unjustified and unnecessary.

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BE IT FURTHER RESOLVED, that the Durham City Council fully supports the Commissioner of Insurance in his public efforts to encourage the North Carolina Rate Bureau to withdraw the rate filing immediately.

BE IT FURTHER RESOLVED, that the Durham City Council encourages Durham County residents to participate in this governmental process by filing comments and making their position known regarding this issue by submitting written comments to the North Carolina Department of Insurance, Property & Casualty Division, 1201 Mail Service Center, Raleigh, NC 27699 or email concerns to 2014homeowners@ncdoi.gov.

BE IT FURTHER RESOLVED, that the Durham City Council also requests that the North Carolina Insurance Commissioner conduct a public hearing on the proposed rate increases to include actual loss history in Eastern North Carolina in the calculation of the rate increases.

Adopted at a _____ meeting on _____ 2014