



# TOWN OF KILL DEVIL HILLS

*Land Where Flight Began*

MEMORANDUM

January 15, 2024

TO: Mayor and Board of Commissioners

FROM: John Windley, Mayor

REF: Mayor's Agenda

**1. Resolution Opposing a Homeowners' Insurance Rate Increase Requested by the North Carolina Rate Bureau (Attached MA-1)**

Our Board and Town Staff recently became aware of the N.C. Rate Bureau's request to increase rates for homeowners' insurance across North Carolina, which would take effect in August 2024. The proposed increase for our coastal area would be an increase of 45.1% for homeowners. Staff reached out to the Outer Banks Association of Realtors, which provided the Town with additional information and options by which the public can submit comments during the public comment period, which closes February 2, 2024.

I request the Board's adoption of this *Resolution Opposing a Homeowners' Insurance Rate Increase Requested by the North Carolina Rate Bureau*, and authorization to submit the resolution and an accompanying letter to N.C. Insurance Commissioner Causey, and to submit this information through the public comment process with his department.



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## **Resolution Opposing a Homeowners' Insurance Rate Increase Requested by the North Carolina Rate Bureau**

**WHEREAS**, the N.C. Rate Bureau, a non-governmental entity created by the N.C. General Assembly, has filed for double-digit insurance rate increases with the N.C. Department of Insurance; and

**WHEREAS**, the requested insurance rate increases across the state (In Dare County, 45.1% for beach communities and 33.9% for inland areas) would become effective August 1, 2024, unless denied by N.C. Insurance Commissioner Mike Causey; and

**WHEREAS**, based upon \$200,000 of insurance coverage, the proposed increase would result in additional \$4,220 costs for beach community and \$1,775 for inland area homeowners; and

**WHEREAS**, for those homeowners with coverage through the N.C. Insurance Underwriters Association, N.C. law would impose an additional 15% surcharge, ultimately resulting in an insurance rate increase of 60.1% for beach communities and 48.9% for inland areas; and

**WHEREAS**, admitted insurance carriers are actively discontinuing coverage to limit coverage in coastal areas, decreasing the available options for Kill Devil Hills families in securing coverage by insurance carriers; and

**WHEREAS**, the Kill Devil Hills Board of Commissioners has consistently supported KDH families and affordable housing options, but such egregious insurance rate proposals only harm KDH families, making home ownership even more difficult; and

**WHEREAS**, homeowners will be priced out of the market, or be penalized by being forced to raise their deductible levels in an attempt to offset the requested astronomical insurance premiums; therefore be it

**RESOLVED**, That the Board of Commissioners for the Town of Kill Devil Hills opposes the excessive insurance rate request, and requests the N.C. Insurance Commissioner Mike Causey to deny any rate increase for 2024; and, be it

**FURTHER RESOLVED**, That the Board of Commissioners encourages its citizens and others negatively affected by the proposed unwarranted rate proposals to share their thoughts through one or more of the following methods:

1. Email public comments in opposition (include your name and full address) to the N.C. Department of Insurance by February 2<sup>nd</sup>: [2024Homeowners@ncdoi.gov](mailto:2024Homeowners@ncdoi.gov);
2. Submit written public comments (include your name and full address) by February 2<sup>nd</sup>: Kimberly W. Pearce, Paralegal III, 1201 Mail Service Center, Raleigh, NC 27699-1201;

3. Attend the NCDOT's public comment forum (January 22<sup>nd</sup>, from 10:00 a.m. to 4:30 p.m. at the NCDOT: Jim Long Hearing Room, Albemarle Building, 325 N. Salisbury St., Raleigh, NC 27603;
4. Attend the NCDOT's VIRTUAL public comment forum (January 22<sup>nd</sup>, from 10:00 a.m. to 4:30 p.m. with the following link:  
<https://ncgov.webex.com/ncgov/j.php?MTID=mb3fe10c8f69bbedd2aaece485915db7e>.

This 15<sup>th</sup> day of January, 2024.

SEAL

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John Windley  
Mayor

ATTEST:

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James Michael O'Dell  
Town Clerk