# DISTRICT OF COLUMBIA OFFICIAL CODE

## TITLE 31. INSURANCE AND SECURITIES.

CHAPTER 50.
INSURANCE PLACEMENT.

2001 Edition

## DISTRICT OF COLUMBIA OFFICIAL CODE CHAPTER 50. INSURANCE PLACEMENT.

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#### CHAPTER 50. INSURANCE PLACEMENT.

#### § 31-5001. PURPOSES OF CHAPTER.

The purposes of this chapter 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 and homeowner's insurance as defined by this chapter;
- (3) To encourage maximum use and utilization, in obtaining basic property insurance and homeowner's insurance, of the normal insurance market provided by authorized insurers;
- (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 insuring and reinsuring of basic property insurance and homeowner's insurance without regard to environmental hazards; and
- (5) To encourage the delivery of essential property insurance, and the homeowner's insurance that is provided by the Facility, at the most reasonable cost possible; provided, that insurance pricing by the Facility:
  - (A) Is actuarially self-supporting; and
  - (B) Does not actively compete with insurance pricing in the normal insurance market provided by authorized insurers.

(Aug. 1, 1968, 82 Stat. 567, Pub. L. 90-448, title XII, § 1202; Mar. 27, 2003, D.C. Law 14-251, § 2(a), 50 DCR 222.)

HISTORICAL AND STATUTORY NOTES

Prior Codifications

1981 Ed., § 35-1801.

1973 Ed., § 35-1701.

Effect of Amendments

D.C. Law 14-251 substituted "basic property insurance and homeowner's insurance" for "basic property insurance" throughout the section; in par. (3), substituted "maximum use and utilization" for "maximum use", and made a nonsubstantive change; in par. (4), substituted "District of Columbia to provide for insuring and" for "District of Columbia to provide for", and made a nonsubstantive change; and added par. (5).

Legislative History of Laws

Law 14-251, the "Homeowner's Insurance Availability Amendment Act of 2002", was introduced in Council and assigned Bill No. 14-56, which was referred to the Committee on Consumer and Regulatory Affairs. The Bill was adopted on first and second readings on November 7, 2002, and December 3, 2002, respectively. Signed by the Mayor on December 24, 2002, it was assigned Act No. 14-548 and transmitted to both Houses of Congress for its review. D.C. Law 14-251 became effective on March 27, 2003.

#### § 31-5002. DEFINITIONS.

As used in this chapter, unless the context otherwise requires:

- (1) The term "Mayor" means the Mayor of the District of Columbia or his designated agent.
- (2) The term "basic property insurance" means 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.
- (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.

- (3A) The term "homeowner's insurance" means insurance for residential property that provides a combination of coverages, including fire, extended coverage, vandalism and malicious mischief, burglary, theft, and personal liability. The term shall include a policy of insurance which is limited to basic market value, repair cost, or actual cash value contracts for owner-occupants of one-to-four-family dwellings as approved by the Commissioner.
- (4) The term "inspection bureau" means any rating bureau or other organization designated by the Mayor to perform inspections to determine the condition of the properties for which basic property insurance or homeowner's 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 or homeowner's insurance (including homeowners and commercial multiperil policies) within the District of Columbia to assist agents, brokers, and applicants in securing basic property insurance or homeowner's insurance.
- (6) The term "premiums written" means gross direct premiums charged with respect to property in the District of Columbia on all policies of basic property insurance and the basic property insurance premium components of all multiperil policies, less all premiums and dividends returned, paid, or credited to policyholders or the unused or unabsorbed portions of premiums deposits.
- (7) The term "property owner" means any person having an insurable interest in real, personal, or mixed real and personal property.

(Aug. 1, 1968, 82 Stat. 568, Pub. L. 90-448, title XII, § 1203; Mar. 27, 2003, D.C. Law 14-251, § 2(b), 50 DCR 222.)

HISTORICAL AND STATUTORY NOTES

Prior Codifications

1981 Ed., § 35-1802.

1973 Ed., § 35-1702.

Effect of Amendments

- D.C. Law 14-251 rewrote par. (2); added par. (3A); and substituted "basic property insurance or homeowner's insurance" for "basic property insurance" in pars. (4) and (5). Prior to amendment, par. (2) had read as follows:
- "(2) The term 'basic property insurance' means:
- "(A) 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 Mayor; and
- "(B) Such other insurance (including insurance against the perils of vandalism, malicious mischief, burglary, theft, and robbery) as the Mayor may designate (under regulations adopted or made under § 31-5004) 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."

Legislative History of Laws

For Law 14-251, see notes following § 31-5001.

Change in Government

This section originated at a time when local government powers were delegated to the District of Columbia Council and to a Commissioner of the District of Columbia. The District of Columbia Self-Government and Governmental Reorganization Act, 87 Stat. 818, § 711 (D.C. Code, § 1-207.11), abolished the District of Columbia Council and the Office of Commissioner of the District of Columbia. These branches of government were replaced by the Council of the District of Columbia and the Office of Mayor of the District of Columbia, respectively. Accordingly, and also pursuant to § 714(a) of such Act (D.C. Code, § 1-207.14(a)), appropriate changes in terminology were made in this section.

Miscellaneous Notes

Delegation of functions: Reorganization Order No. 43, as amended August 12, 1968, delegated to the Superintendent of Insurance the functions vested in the Mayor by this chapter.

Department of Insurance abolished: The Department of Insurance, including the Superintendent, was abolished and the functions thereof transferred to the Board of Commissioners of the District of Columbia by Reorganization Plan No. 5 of 1952. Reorganization Order No. 43, dated June 23, 1953, as amended, established, under the direction and control of a Commissioner, a Department of Insurance headed by a Superintendent. The Order provided for the organization of the Department, abolished the previously existing Department of Insurance, and provided that all functions and positions of the previous Department would be transferred to the new Department of Insurance, including the duties, powers, and authorities of all officers and

employees; and that all personnel, property, records and unexpended balances relating to the functions and positions transferred would also be transferred to the new Department. The executive functions of the Board of Commissioners were transferred to the Commissioner of the District of Columbia by § 401 of Reorganization Plan No. 3 of 1967. The functions of the Superintendent of Insurance were transferred to the Department of Consumer and Regulatory Affairs by Reorganization Plan No. 1 of 1983, effective March 31, 1983. Pursuant to the provisions of D.C. Law 11- 268, the Department of Insurance and Securities Regulation was established and the duties of the Superintendent of Insurance and the Insurance Administration were assumed by the Commissioner of Insurance and Securities and the Insurance Administration in the Department of Consumer and Regulatory Affairs was abolished.

#### § 31-5003. INDUSTRY PLACEMENT FACILITY.

- (a) Within 30 days after August 1, 1968, all insurers licensed to write and engaged in writing in the District of Columbia, on a direct basis, basic property insurance or any component thereof in multiperil policies shall establish an Industry Placement Facility. The Facility shall formulate and administer a program, subject to disapproval by the Mayor in whole or in part, to seek the equitable apportionment among such insurers of basic property insurance and homeowner's insurance which may be afforded applicants in the District of Columbia whose property is insurable in accordance with reasonable underwriting standards and who individually or through their insurance agent or broker request the aid of the Facility to procure such insurance. The Facility shall seek to place insurance with 1 or more participating companies up to the full insurable value of the risk, if requested, except to the extent that deductibles, percentage participation clauses, and other underwriting devices are employed to meet special problems of insurability.
- (b) The Facility may, subject to the approval of the Commissioner, provide as part of its program for the equitable distribution of commercial risks and dwelling risks among insurers. Such distribution of risks may be implemented through assignment of policies to one or more participating companies or through joint underwriting of risks as provided by § 31-5005.
- (c) Each insurer licensed to write and engaged in writing in the District of Columbia, on a direct basis, basic property insurance or any component thereof in multiperil policies shall participate in the Industry Placement Facility program in accordance with the established rules of the program as a condition of its authority to transact such kinds of insurance in the District of Columbia, except that, in lieu of revoking or suspending the certificate of authority of any company for any failure to comply with any of the established rules of the program, the Mayor may subject such company to a penalty of not more than \$200 for each such failure to so comply when in his judgment he finds that the public interest would be best served by the continued operation of the company in the District of Columbia.

(Aug. 1, 1968, 82 Stat. 568, Pub. L. 90-448, title XII, § 1204; Mar. 27, 2003, D.C. Law 14-251, § 2(c), 50 DCR 222.)

HISTORICAL AND STATUTORY NOTES

Prior Codifications

1981 Ed., § 35-1803.

1973 Ed., § 35-1703.

Effect of Amendments

- D.C. Law 14-251, in subsec. (a), substituted "to seek the equitable apportionment among such insurers of basic property insurance and homeowner's insurance which may be afforded applicants" for "to seek the equitable apportionment amount such insurers of basic property insurance which may be afforded applicants"; and rewrote subsec. (b) which had read as follows:
- "(b) The Facility may, subject to the approval of the Mayor, provide as part of its program for the equitable distribution of commercial risks and dwelling risks among insurers."

Legislative History of Laws

For Law 14-251, see notes following § 31-5001.

Change in Government

This section originated at a time when local government powers were delegated to the District of Columbia Council and to a Commissioner of the District of Columbia. The District of Columbia Self-Government and Governmental Reorganization Act, 87 Stat. 818, § 711 (D.C. Code, § 1-207.11), abolished the District of Columbia Council and the Office of Commissioner of the District of Columbia. These branches of government were replaced by the Council of the District of Columbia and the Office of Mayor of the District of Columbia, respectively. Accordingly, and also pursuant to § 714(a) of such Act (D.C. Code, § 1-207.14(a)), appropriate changes in terminology were made in this section.

Delegation of functions: See Historical and Statutory Notes following § 31-5002.

Department of Insurance abolished: See Historical and Statutory Notes following § 31-5002.

#### § 31-5004. RULES AND REGULATIONS.

- (a) The Industry Placement Facility shall on its own motion, or within 30 days after a request by the Mayor, submit to the Mayor such proposed rules and regulations applicable to insurers, agents, and brokers deemed necessary to assure all property owners fair access to basic property insurance through the normal insurance markets, including rules and regulations concerning:
  - (1) The manner and scope of inspections of risk by an inspection bureau;
  - (2) The preparation and filing of inspection reports and reports on actions taken in connection with inspected risks, and summaries thereof; and
  - (3) The operation of the Facility, including rules and regulations concerning:
    - (A) The basic property insurance coverages to be provided through the Facility;
    - (A-i) The homeowner's insurance coverages to be provided through the Facility; provided, that these coverages shall not be less than homeowner's insurance;
    - (B) The reasonable effort to obtain insurance in the normal commercial market required of an applicant before recourse to the Facility; and
    - (C) The appeals procedure within the Facility for any applicant for insurance regarding any ruling, action, or decision by or on behalf of the Facility.
- (b) The Mayor may adopt such of the rules and regulations submitted pursuant to subsection (a) of this section as he approves. If the Mayor disapproves any proposed rule or regulation submitted, he shall state the reasons for so doing, and he shall require the Facility to submit a revision thereof within such time as he may designate, but not less than 10 days. During such designated time, the Mayor and the Facility shall consult regarding any such disapproved rule or regulation. If the Facility fails to submit a proposed rule or regulation, or revision thereof, within the designated time, or if a revised rule or regulation is unacceptable to the Mayor, the Mayor may make such rules and regulations covering the proposed general subject matter as he shall deem necessary to carry out the purposes of this chapter. Any rule or regulation adopted or made under this section shall be consistent with the requirements of part A of title XII of the National Housing Act.

(Aug. 1, 1968, 82 Stat. 569, Pub. L. 90-448, title XII, § 1205; Mar. 27, 2003, D.C. Law 14-251, § 2(d), 50 DCR 222.)

HISTORICAL AND STATUTORY NOTES

Prior Codifications

1981 Ed., § 35-1804.

1973 Ed., § 35-1704.

Effect of Amendments

D.C. Law 14-251 added par. (A-i) to subsec. (a)(3).

Legislative History of Laws

For Law 14-251, see notes following § 31-5001.

References in Text

"Part A of title XII of the National Housing Act," referred to at the end of subsection (b), consists of §§ 1211 to 1214, as added by § 1103 of the Act of August 1, 1968, 82 Stat. 558, Pub. L. 90-448, codified at 12 U.S.C. §§ 1749bbb-7 to 1749bbb-10.

Change in Government

This section originated at a time when local government powers were delegated to the District of Columbia Council and to a Commissioner of the District of Columbia. The District of Columbia Self-Government and Governmental Reorganization Act, 87 Stat. 818, § 711 (D.C. Code, § 1-207.11), abolished the District of Columbia Council and the Office of Commissioner of the District of Columbia. These branches of government were replaced by the Council of the District of Columbia and the Office of Mayor of the District of Columbia, respectively. Accordingly, and also pursuant to § 714(a) of such Act (D.C. Code, § 1-207.14(a)), appropriate changes in terminology were made in this section.

Miscellaneous Notes

Delegation of functions: See Historical and Statutory Notes following § 31-5002.

## § 31-5005. JOINT UNDERWRITING ASSOCIATION; ESTABLISHMENT; COMPOSITION; PLAN OF OPERATION; PARTICIPATION BY MEMBERS; BOARD OF DIRECTORS.

- (a) The Mayor is authorized to establish by order a Joint Underwriting Association if he finds, after notice and hearing, that such Association is necessary to carry out the purposes of this chapter. Such Joint Underwriting Association shall consist of all insurers licensed to write and engaged in writing in the District of Columbia, on a direct basis, such basic property insurance as may be designated by the Mayor or any component thereof in multiperil policies.
- (b) Every such insurer shall be and remain a member of the Association and shall comply with all requirements of membership as a condition of its authority to transact such kinds of insurance in the District of Columbia, except that in lieu of revoking or suspending the certificate of authority of any company for any failure to comply with any of the requirements of membership, the Mayor may subject such company to a penalty of not more than \$200 for each such failure to so comply when in his judgment he finds that the public interest would be best served by the continued operation of the company in the District of Columbia.
- (c)(1) Within 60 days following the effective date of the order of the Mayor under this section the Association shall submit to him a proposed plan of operation, consistent with the provisions of this chapter, which shall provide for economical, fair, and nondiscriminatory administration of the Association and for the prompt and efficient provision of insurance or reinsurance, without regard to environmental hazards, for such basic property insurance and homeowner's insurance as may be designated by the Mayor. The plan of operation shall include provisions for:
  - (A) Preliminary assessment of all members for initial expenses necessary to commence operations;
  - (B) Establishment of necessary facilities;
  - (C) Management and operation of the Association;
  - (D) Assessment of members to defray losses and expenses;
  - (E) Commission arrangements;
  - (F) Reasonable underwriting standards and ratemaking:
  - (G) Assumption and cessation of insurance and of reinsurance;
  - (G-i) Immediate binding of eligible homeowner's risks;
  - (G-ii) Encouragement of agents, brokers, and applicants to transfer insurance coverage provided by the Association, through either insurance or reinsurance, to the normal insurance market provided by authorized insurers; and
  - (H) Such other matters as the Mayor may designate.
  - (2) The plan of operation shall not take effect until approved by the Mayor. If the Mayor disapproves the proposed plan of operation (or any part thereof), he shall state the reasons for so doing, and the Association shall within 30 days thereafter submit for his review an appropriately revised plan of operation. During such time, the Mayor and the Association shall consult regarding the disapproved plan or part thereof. If the Association fails to submit a revised plan of operation, or if the revised plan so submitted is unacceptable to the Mayor, the Mayor shall promulgate a plan of operation.
  - (3) The Association may, on its own initiative, amend such plan, subject to approval by the Mayor, and shall amend such plan at the direction of the Mayor if he finds such action is necessary to carry out the purposes of this chapter.
- (d) All members of the Association shall participate in its writings, expenses, profits, and losses, or in such categories thereof as may be separately established by the Association, subject to approval by the Mayor, in the proportion that the premiums written by each such member during the preceding calendar year bear to the aggregate premiums written in the District of Columbia by all members of the Association, or in accordance with such other formula as the Association may devise with the approval of the Mayor. Such participation by each insurer in the Association shall be determined annually on the basis of such premiums written during the preceding calendar year as disclosed in the annual statements and other reports filed by the insurer with the Mayor.
- (e) The Association shall be governed by a board of 11 directors, elected annually by cumulative voting by the members of the Association, whose votes in such election shall be weighted in accordance with the proportionate amount of each member's net direct premiums written in the District of Columbia during the preceding calendar year. The 1st board shall be elected at a meeting of the members or their authorized representatives, which shall be held within 30 days after the effective date of the order under this section

establishing the Association, at a time and place designated by the Mayor.

(Aug. 1, 1968, 82 Stat. 569, Pub. L. 90-448, title XII, § 1206; Mar. 27, 2003, D.C. Law 14-251, § 2(e), 50 DCR 222.)

HISTORICAL AND STATUTORY NOTES

Prior Codifications

1981 Ed., § 35-1805.

1973 Ed., § 35-1705.

Effect of Amendments

D.C. Law 14-251, in subsec. (c)(1), substituted "efficient provision of insurance or" for "efficient provision of" and substituted "basic property insurance and homeowner's insurance" for "basic property insurance"; in par. (F) of subsec. (c)(1), substituted "Reasonable underwriting standards and ratemaking" for "Reasonable underwriting standards"; rewrote par. (G) of subsec. (c)(1); and added pars. (G-i) and (G-ii) to subsec. (c)(1). Prior to amendment, par. (G) of subsec. (c)(1) had read as follows:

"(G) Assumption and cessation of reinsurance; and"

Legislative History of Laws

For Law 14-251, see notes following § 31-5001.

Change in Government

This section originated at a time when local government powers were delegated to the District of Columbia Council and to a Commissioner of the District of Columbia. The District of Columbia Self-Government and Governmental Reorganization Act, 87 Stat. 818, § 711 (D.C. Code, § 1-207.11), abolished the District of Columbia Council and the Office of Commissioner of the District of Columbia. These branches of government were replaced by the Council of the District of Columbia and the Office of Mayor of the District of Columbia, respectively. Accordingly, and also pursuant to § 714(a) of such Act (D.C. Code, § 1-207.14(a)), appropriate changes in terminology were made in this section.

Miscellaneous Notes

Delegation of functions: See Historical and Statutory Notes following § 31-5002.

Department of Insurance abolished: See Historical and Statutory Notes following § 31-5002.

#### § 31-5006. SUPERVISION AND REGULATION OF OPERATIONS BY MAYOR.

The operation of any inspection bureau, the Industry Placement Facility, and the Joint Underwriting Association shall at all times be subject to the supervision and regulation of the Mayor. The Mayor shall have the power of visitation of and examination into such operations and free access to all the books, records, files, papers, and documents that relate to such operations, may summon and qualify witnesses under oath, and may examine directors, officers, agents, employees or any other person having knowledge of such operations.

(Aug. 1, 1968, 82 Stat. 571, Pub. L. 90-448, title XII, § 1207.)

HISTORICAL AND STATUTORY NOTES

Prior Codifications

1981 Ed., § 35-1806.

1973 Ed., § 35-1706.

Change in Government

This section originated at a time when local government powers were delegated to the District of Columbia Council and to a Commissioner of the District of Columbia. The District of Columbia Self-Government and Governmental Reorganization Act, 87 Stat. 818, § 711 (D.C. Code, § 1-207.11), abolished the District of Columbia Council and the Office of Commissioner of the District of Columbia. These branches of government were replaced by the Council of the District of Columbia and the Office of Mayor of the District of Columbia, respectively. Accordingly, and also pursuant to § 714(a) of such Act (D.C. Code, § 1-207.14(a)), appropriate changes in terminology were made in this section.

Miscellaneous Notes

Delegation of functions: See Historical and Statutory Notes following § 31-5002.

Department of Insurance abolished: See Historical and Statutory Notes following § 31-5002.

## § 31-5007. IMMUNITY FROM LIABILITY IN REGARD TO STATEMENTS CONCERNING INSURABILITY.

There shall be no liability on the part of, and no cause of action of any nature shall arise against, insurers, any inspection bureau, the Industry Placement Facility, the Joint Underwriting Association, the agents or employees of such bureau, Facility, or Association, or any officer or employee of the District of Columbia, for any statements made in good faith by them concerning the insurability of property: (1) In any reports or other communications; (2) at the time of the hearings conducted in connection therewith; or (3) in the findings with respect thereto required by the provisions of this chapter. The reports and communications of any inspection bureau, the Industry Placement Facility, and the Joint Underwriting Association with respect to individual properties shall not be open to inspection by, or otherwise available to, the public.

(Aug. 1, 1968, 82 Stat. 571, Pub. L. 90-448, title XII, § 1208.)

HISTORICAL AND STATUTORY NOTES

Prior Codifications

1981 Ed., § 35-1807.

1973 Ed., § 35-1707.

### § 31-5008. ANNUAL REPORTS BY ASSOCIATION; ADDITIONAL INFORMATION.

The Joint Underwriting Association shall file with the Mayor, annually on or before the 1st day of March, a statement which shall contain information with respect to its transactions, condition, operations, and affairs during the preceding year. Such statement shall contain such matters and information as are prescribed by the Mayor and shall be in such form as is approved by him. The Mayor may at any time require the Association to furnish him with additional information with respect to its transactions, condition, or any matter connected therewith which he considers to be material and which will assist him in evaluating the scope, operation, and experience of the Association.

(Aug. 1, 1968, 82 Stat. 571, Pub. L. 90-448, title XII, § 1209.)

HISTORICAL AND STATUTORY NOTES

Prior Codifications

1981 Ed., § 35-1808.

1973 Ed., § 35-1708.

Change in Government

This section originated at a time when local government powers were delegated to the District of Columbia Council and to a Commissioner of the District of Columbia. The District of Columbia Self-Government and Governmental Reorganization Act, 87 Stat. 818, § 711 (D.C. Code, § 1-207.11), abolished the District of Columbia Council and the Office of Commissioner of the District of Columbia. These branches of government were replaced by the Council of the District of Columbia and the Office of Mayor of the District of Columbia, respectively. Accordingly, and also pursuant to § 714(a) of such Act (D.C. Code, § 1-207.14(a)), appropriate changes in terminology were made in this section.

Miscellaneous Notes

Delegation of functions: See Historical and Statutory Notes following § 31-5002.

Department of Insurance abolished: See Historical and Statutory Notes following § 31-5002.

#### § 31-5009. ADMINISTRATIVE APPEALS; JUDICIAL REVIEW.

- (a) Any applicant for insurance and any affected insurer may appeal to the Mayor within 90 days after any final ruling, action, or decision by or on behalf of any inspection bureau, the Industry Placement Facility, or the Joint Underwriting Association, following exhaustion of remedies available within such bureau, Facility, or Association.
- (b) All final orders or decisions of the Mayor made under this chapter shall be subject to review by the District of Columbia Court of Appeals under the District of Columbia Administrative Procedure Act.

(Aug. 1, 1968, 82 Stat. 571, Pub. L. 90-448, title XII, § 1210; July 29, 1970, 84 Stat. 583, Pub. L. 90-448, title I, § 163(d).)

Prior Codifications

1981 Ed., § 35-1809.

1973 Ed., § 35-1709.

References in Text

The "District of Columbia Administrative Procedure Act," referred to in Subsection (b) of this section, in the Act of October 21, 1968, 82 Stat. 1203, Pub. L. 90-614, codified as subchapter I of Chapter 15 of Title 1 [subchapter I of Chapter 5 of Title 2, 2001 Ed.].

Change in Government

This section originated at a time when local government powers were delegated to the District of Columbia Council and to a Commissioner of the District of Columbia. The District of Columbia Self-Government and Governmental Reorganization Act, 87 Stat. 818, § 711 (D.C. Code, § 1-207.11), abolished the District of Columbia Council and the Office of Commissioner of the District of Columbia. These branches of government were replaced by the Council of the District of Columbia and the Office of Mayor of the District of Columbia, respectively. Accordingly, and also pursuant to § 714(a) of such Act (D.C. Code, § 1-207.14(a)), appropriate changes in terminology were made in this section.

Miscellaneous Notes

Delegation of functions: See Historical and Statutory Notes following § 31-5002.

Department of Insurance abolished: See Historical and Statutory Notes following § 31-5002.

## § 31-5010. ASSESSMENT OF COMPANIES FOR REINSURANCE REIMBURSEMENT FUND; CHARGE TO INSURED TO RECOVER ASSESSMENT.

- (a) In order to carry out the purposes of this chapter and to make available to insurers who participate hereunder the reinsurance afforded under part B of title XII of the National Housing Act against losses to property resulting from riots or civil disorders, the Mayor is authorized to assess each insurance company authorized to do business in the District of Columbia an amount, in the proportion that the premiums earned by each such company in the District of Columbia, on lines reinsured in the District of Columbia by the Secretary of Housing and Urban Development, during the preceding calendar year bear to the aggregate premiums earned on those lines in the District of Columbia by all insurance companies, sufficient to provide a fund to reimburse the Secretary of Housing and Urban Development in the manner set forth in § 1223(a)(1) of such part B. Such fund may be added to or such fund may be created by moneys appropriated therefor by the Congress.
- (b) Insurers shall add to the premium rate an amount, to be approved by the Mayor, sufficient to recover, within not more than 3 years, any amounts assessed under subsection (a) of this section during the preceding calendar year. Such amount shall be a separate charge to the insured in addition to the premium to be paid and shall be reflected as such in the policy of insurance. No commission shall be paid thereon to any agent or broker producing or selling the policy of insurance wherein such amount is added.

(Aug. 1, 1968, 82 Stat. 572, Pub. L. 90-448, title XII, § 1211.)

HISTORICAL AND STATUTORY NOTES

Prior Codifications

1981 Ed., § 35-1810.

1973 Ed., § 35-1710.

References in Text

"Part B of title XII of the National Housing Act," referred to in subsection (a) of this section, consists of §§ 1221 to 1224, as added by § 1103 of the Act of August 1, 1968, 82 Stat. 560, Pub. L. 90-448, codified at 12 U.S.C. §§ 1749bbb-7 to 1749bbb-10.

Change in Government

This section originated at a time when local government powers were delegated to the District of Columbia Council and to a Commissioner of the District of Columbia. The District of Columbia Self-Government and Governmental Reorganization Act, 87 Stat. 818, § 711 (D.C. Code, § 1-207.11), abolished the District of Columbia Council and the Office of Commissioner of the District of Columbia. These branches of government were replaced by the Council of the District of Columbia and the Office of Mayor of the District of Columbia, respectively. Accordingly, and also pursuant to § 714(a) of such Act (D.C. Code, § 1-207.14(a)), appropriate changes in terminology were made in this section.

Delegation of functions: See Historical and Statutory Notes following § 31-5002.

Department of Insurance abolished: See Historical and Statutory Notes following § 31-5002.

#### § 31-5011. DELEGATION OF FUNCTIONS BY MAYOR.

The Mayor is authorized to delegate any of the functions vested in him by this chapter.

(Aug. 1, 1968, 82 Stat. 572, Pub. L. 90-448, title XII, § 1212.)

HISTORICAL AND STATUTORY NOTES

Prior Codifications

1981 Ed., § 35-1811.

1973 Ed., § 35-1711.

Change in Government

This section originated at a time when local government powers were delegated to the District of Columbia Council and to a Commissioner of the District of Columbia. The District of Columbia Self-Government and Governmental Reorganization Act, 87 Stat. 818, § 711 (D.C. Code, § 1-207.11), abolished the District of Columbia Council and the Office of Commissioner of the District of Columbia. These branches of government were replaced by the Council of the District of Columbia and the Office of Mayor of the District of Columbia, respectively. Accordingly, and also pursuant to § 714(a) of such Act (D.C. Code, § 1-207.14(a)), appropriate changes in terminology were made in this section.

Miscellaneous Notes

Delegation of functions: See Historical and Statutory Notes following § 31-5002.

Department of Insurance abolished: See Historical and Statutory Notes following § 31-5002.