



The Village of Bald Head Island

January 22, 2024

Commissioner of Insurance
NC Department of Insurance
ATTN: Kimberly W. Pearce, Paralegal III,
1201 Mail Service Center, Raleigh, N.C. 27699-1201
2024Homeowners@ncdoi.go

Dear Mr. Causey,

On behalf of the Village Council of the Village of Bald Head Island, I am writing to express strong opposition to the proposed homeowners insurance rate increases.

The requested increases of 99.4 % for beach areas, 71.4% for eastern coastal areas, and 43.0% for western coastal areas in Brunswick County are excessive. Many homeowners will be priced out of the market or be penalized by being forced to raise their deductible levels to offset the requested astronomical insurance premiums.

As home values in Brunswick County increase, premiums will increase exponentially, and many homeowners will be forced to use higher deductibles to avoid exorbitant insurance premiums. These higher deductibles will impact the ability of homeowners to recover from storm damage or other disaster events.

If implemented, these increases will be passed along to those who rent homes in Brunswick County, leading to increased rents in a market where there is already a severe lack of essential housing for our workforce. In some cases, it will make it impossible for first-time home buyers to purchase a home.

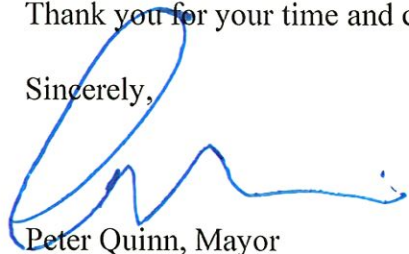
We would also like to express these additional concerns:

- Most homeowners are not aware of the additional 15% surcharge associated with the North Carolina Insurance Underwriters Association (beach plan) policies. We request more clarity in the rate filings and a full disclosure in simple terminology, so policyholders understand the true costs of their insurance coverage and how the premium is calculated.
- Admitted carriers in North Carolina are limiting their exposure in coastal areas by discontinuing coverage in our county. We request that the North Carolina Department of Insurance research alternatives to ensure that admitted carriers provide coverage statewide and are not selective in their coverage.
- Public notice procedures for rate increase filings should be expanded to require written notification to all policyholders.

In closing, we point to North Carolina law that states that insurance rates shall not be excessive, inadequate, or unfairly discriminatory. We believe that all North Carolinians need attainable coverage at reasonable rates, and that is why we request that the 2024 homeowners' rate increase be denied by the Insurance Commissioner, or a hearing be scheduled.

Thank you for your time and consideration.

Sincerely,

A handwritten signature in blue ink, appearing to read "Peter Quinn", with a large, stylized flourish above the name.

Peter Quinn, Mayor
Village of Bald Head Island