

CHAPTER 14. STATE SPONSORED INSURANCE PROGRAMS

14-1. FAIR PLANS.

Many states have established Fair Access to Insurance Requirements (FAIR) plan facilities. Each state has its own rules of eligibility and limits offered. If a HA is unable to purchase property insurance in the open market, the HA should check directly with the State Insurance Department to ascertain whether it is eligible to participate in the FAIR plan.

14-2. ASSIGNED RISK PLANS.

All states have established Assigned Risk Plans (ARPs) or pools to provide automobile liability and workers' compensation insurance to an uninsured entity unable to purchase coverage in the open market. Unlike FAIR plans that are voluntary on the part of insurance companies, uninsured risks requiring automobile liability or workers' compensation insurance are assigned- to insurance companies licensed in the state. A HA unable to purchase the coverage in the open market may check with any insurance agent/broker for a quotation through the ARP.

14-3. BEACH PLANS.

Many states with sea coasts have passed laws requiring insurers licensed to do business in their state to form a pool for handling property insurance on most real and personal property located on or near beaches in the "hurricane belt". Voluntary "beach" pools have also been established in some states by insurers doing business in those states. Coverages and limits may vary within each state. A HA unable to purchase the coverage in the open market may check with the State Insurance Department to obtain coverage under this law.

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