



TOWN OF KILL DEVIL HILLS

Land Where Flight Began

MEMORANDUM

November 12, 2025

TO: Mayor and Board of Commissioners
FROM: John Windley, Mayor
REF: Mayor's Agenda

1. Resolutions and Proclamations (Attached MA-1A)

A. Resolution Opposing Rate Increases for Dwelling Policies Requested by the North Carolina Rate Bureau

Our Board and Town Staff was recently made aware of the N.C. Rate Bureau's request to increase rates for dwelling insurance policies across North Carolina, which would take effect in a two-stage process in July 2026 and July 2027. Dwelling policies differ from homeowner policies because dwelling policies are typically utilized for vacation rental homes, year-round rental homes, and second homes, not for primary residences.

The proposed increase for our coastal area would be an increase of 40.6% and for non-coastal areas of Dare County, 37.4%. The Outer Banks Association of Realtors provided the Town with additional information and options by which the public can submit comments during the public comment period, which closes November 19, 2025.

I request the Board's adoption of this *Resolution Opposing Rate Increases for Dwelling Policies 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 Rate Increases for Dwelling Policies 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 excessive insurance rate increases with the N.C. Department of Insurance on October 30, 2025; and

WHEREAS, these rate increases will affect dwelling policies to include second homes, vacation rental homes, or year-round rental homes; and

WHEREAS, the requested 40.6% insurance rate increases for Territory 110 (the beach areas of Dare, Currituck, and Hyde counties) would become effective July 1, 2026, in addition to July 1, 2027, unless denied by N.C. Insurance Commissioner Mike Causey; and

WHEREAS, the requested 37.4% insurance rate increases for Territory 130 (the non-beach areas of Dare, Currituck, and Hyde counties) would become effective July 1, 2026, in addition to July 1, 2027, unless denied by N.C. Insurance Commissioner Mike Causey; and

WHEREAS, the increased tax burden on property owners will have a cascade effect by decreasing the revenue produced used to deliver services to Kill Devil Hills citizens; and

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

WHEREAS, the last rate increases for extended coverage dwelling policies became effective on November 1, 2024, and have not been in place long enough for their effectiveness to be adequately evaluated; and

WHEREAS, property owners may 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 for dwelling policies, and requests the N.C. Insurance Commissioner Mike Causey to deny any rate increase for 2026 and 2027; 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 NC property address) to the N.C. Department of Insurance by November 19: 2025DwellingandFire@ncdoi.gov;

2. Submit written public comments (include your name and NC property address) by November 19: Kimberly Pearce, Paralegal III, 1201 Mail Service Center, Raleigh, NC 27699-1201.

This 12th day of November, 2025.

SEAL

John Windley
Mayor

ATTEST:

James Michael O'Dell
Town Clerk