

NORTH CAROLINA GENERAL ASSEMBLY  
1971 SESSION

CHAPTER 948  
HOUSE BILL 1214

AN ACT TO AMEND ARTICLE 2 OF CHAPTER 58 OF THE GENERAL STATUTES OF  
NORTH CAROLINA TO EMPOWER THE INSURANCE COMMISSIONER TO  
PRESCRIBE RECORDS FOR INSURANCE AGENCIES, AGENTS AND OTHERS.

The General Assembly of North Carolina enacts:

**Section 1.** Article 2 of Chapter 58 of the General Statutes of North Carolina is hereby amended by adding a new section thereto to be designated G.S. 58-26 and reading as follows:

"§ 58-26. **Commissioner may require records, reports, etc., for agencies, agents and others.** — (a) The Commissioner is empowered to make and promulgate reasonable rules and regulations governing the recording and reporting of insurance business transactions by insurance agencies, agents, brokers and producers of record, any of which agencies, agents, brokers or producers of record are defined by G.S. 58-39.4 and are licensed in this State or are transacting insurance business in this State to the end that such records and reports will accurately and separately reflect the insurance business transactions of such agency, agent, broker or producer of record in this State. Information from records required to be kept pursuant to the provisions of this section must be furnished the Commissioner on demand and the original records required to be kept pursuant to the provisions of this section shall be open to the inspection for the Commissioner or any other authorized employee described in G.S. 58-7.3 when demanded.

(b) Every insurance agency as defined by G.S. 58-39.4 (a) transacting insurance business in this State shall at all times have appointed some person employed or associated with such agency who shall have the responsibility of seeing that such records and reports as are required pursuant to the provisions of this section are kept and maintained.

(c) Any person subject to the provisions of subsection (a) of this section who violates the provisions of this section or the rules and regulations prescribed by the Commissioner pursuant to the provisions of this section may after notice and hearing: for the first offense have his license or licenses (in case license be issued for more than one company in such person's case) suspended or revoked for not less than one month nor more than six months and for the second offense shall have his license or licenses (in case license be issued from more than one company in his case) suspended or revoked for the period of one year and such person shall not thereafter be licensed for one year from the date said revocation or suspension first became effective.

(d) For the purpose of enforcing the provisions of this section the Commissioner or any other authorized employee described in G.S. 58-7.3 is authorized and empowered to examine persons, administer oaths and require production of papers and records relative to this act."

**Sec. 2.** This act shall become effective January 1, 1972.

In the General Assembly read three times and ratified, this the 19th day of July, 1971.