

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2005

SENATE BILL 577
RATIFIED BILL

AN ACT TO CLARIFY THAT AN UNAUTHORIZED INSURER SHALL NOT OPERATE IN THIS STATE IN ITS OWN NAME OR UNDER A "DOING BUSINESS AS" DESIGNATION AS A THIRD PARTY ADMINISTRATOR.

The General Assembly of North Carolina enacts:

SECTION 1. Article 56 of Chapter 58 of the General Statutes is amended by adding a new section to read:

"§ 58-56-52. Prohibitions.

(a) No insurance company shall act as a third party administrator with respect to residents of this State, or residents of another state from offices in this State, in connection with life or health insurance or annuities unless that insurance company is authorized to do the business of insurance in this State and otherwise complies with the applicable laws of this State.

(b) No insurance company shall enter into an agreement with an unauthorized insurance company to provide administrative services for residents of this State, or residents of another state from offices in this State, in connection with life or health insurance or annuities that would subject the unauthorized insurer to this section."

SECTION 2. This act becomes effective October 1, 2005.

In the General Assembly read three times and ratified this the 13th day of July, 2005.

Beverly E. Perdue
President of the Senate

James B. Black
Speaker of the House of Representatives

Michael F. Easley
Governor

Approved _____ .m. this _____ day of _____, 2005