

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2011

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HOUSE DRH80078-ME-44 (02/24)

Short Title: Insurance Changes to Payments & Group Life.

(Public)

Sponsors: Representative Dockham.

Referred to:

1 A BILL TO BE ENTITLED
2 AN ACT TO FACILITATE THE PAYMENT OF INSURANCE PREMIUMS USING
3 CREDIT CARDS AND TO PERMIT THE COMMISSIONER OF INSURANCE TO
4 APPROVE NONTRADITIONAL GROUPS FOR GROUP LIFE INSURANCE.

5 The General Assembly of North Carolina enacts:

6 **SECTION 1.** G.S. 58-3-145 reads as rewritten:

7 "**§ 58-3-145. Solicitation, negotiation or payment of premiums on insurance policies.**

8 An insurer, agent, or broker may accept payment of an insurance premium by credit card if
9 the insurer accepting payment by credit card meets the following conditions:

10 (1) ~~The insurer makes payment by credit card available to all existing and~~
11 ~~prospective insureds and does not limit the use of credit card payments to~~
12 ~~certain persons. The insurer complies with the prohibition against unfair~~
13 ~~discrimination contained in G.S. 58-3-120.~~

14 (2) The insurer pays the fees charged by the credit card company for the
15 payment of premiums by credit card."

16 **SECTION 2.** G.S. 58-58-135 reads as rewritten:

17 "**§ 58-58-135. "Group life insurance" defined.**

18 No policy of group life insurance shall be delivered in this State unless it conforms to one
19 of the following descriptions:

20 ...

21 (6) A policy issued to a group other than those described in subdivisions (1)
22 through (5) of this section, subject to the following requirements:

23 a. Either of the following is true:

24 1. The Commissioner has made the following findings:

25 I. The issuance of the group policy is not contrary to the
26 best interest of the public.

27 II. The issuance of the group policy would result in
28 economies of acquisition or administration.

29 III. The benefits are reasonable in relation to the
30 premiums charged.

31 2. Another state has approved the policy under requirements
32 substantially similar to those contained in
33 sub-sub-subdivision 1. of this sub-subdivision and the
34 Commissioner has not previously disapproved the issuance of
35 the policy in this State.



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- 1 b. The premium for the policy shall be paid from either the
- 2 policyholder's funds or funds contributed by the covered persons, or
- 3 from both.
- 4 c. An insurer may exclude or limit the coverage on any person as to
- 5 whom evidence of individual insurability is not satisfactory to the
- 6 insurer.
- 7 ~~(6)~~(7) Notwithstanding the provisions of this section, or any other provisions of
- 8 law to the contrary, a policy may be issued to the employees of the State or
- 9 any other political subdivision where the entire amount of premium therefor
- 10 is paid by such employees."
- 11 **SECTION 3.** This act becomes effective October 1, 2011.