

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2013

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SENATE BILL 614
Insurance Committee Substitute Adopted 5/15/13

Short Title: WC/Cancellation Procedure Changes.

(Public)

Sponsors:

Referred to:

April 4, 2013

1 A BILL TO BE ENTITLED
2 AN ACT TO AMEND THE INSURANCE LAWS RELATING TO THE NOTICE
3 REQUIRED FOR CANCELLATION OF WORKERS' COMPENSATION INSURANCE
4 POLICIES.

5 The General Assembly of North Carolina enacts:

6 **SECTION 1.** G.S. 58-36-105(b) reads as rewritten:

7 "(b) Any cancellation permitted by subsection (a) of this section is not effective unless
8 written notice of cancellation has been given ~~by registered or certified mail, return receipt~~
9 ~~requested~~, to the insured not less than 15 days before the proposed effective date of
10 cancellation. The notice ~~may~~shall be given by registered or certified mail, return receipt
11 requested, to the insured and any other person designated in the policy to receive notice of
12 cancellation at their addresses shown in the policy or, if not indicated in the policy, at their last
13 known addresses. The notice shall state the precise reason for cancellation. Whenever notice of
14 intention to cancel is ~~required to be~~ given by registered or certified mail, no cancellation by the
15 insurer shall be effective unless and until such method is employed and completed. Notice of
16 cancellation may also be given by any method permitted for service of process pursuant to Rule
17 4 of the North Carolina Rules of Civil Procedure. Failure to send this notice, as provided in this
18 section, to any other person designated in the policy to receive notice of cancellation
19 invalidates the cancellation only as to that other person's interest."

20 **SECTION 2.** This act is effective when it becomes law.

