

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2011

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HOUSE BILL 373

Short Title: Insurance Changes to Payments & Group Life. (Public)

Sponsors: Representative Dockham (Primary Sponsor).  
For a complete list of Sponsors, see Bill Information on the NCGA Web Site.

Referred to: Insurance.

March 17, 2011

A BILL TO BE ENTITLED

AN ACT TO FACILITATE THE PAYMENT OF INSURANCE PREMIUMS USING  
CREDIT CARDS AND TO PERMIT THE COMMISSIONER OF INSURANCE TO  
APPROVE NONTRADITIONAL GROUPS FOR GROUP LIFE INSURANCE.

The General Assembly of North Carolina enacts:

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

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

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

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

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

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

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

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

...

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

a. Either of the following is true:

1. The Commissioner has made the following findings:

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

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

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

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



- 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.