

GENERAL ASSEMBLY OF NORTH CAROLINA
1985 SESSION

CHAPTER 484
HOUSE BILL 471

AN ACT TO IMPROVE THE SYSTEM OF LICENSING AND REGULATING
INSURANCE AGENTS, BROKERS, ADJUSTERS, AND MOTOR VEHICLE
DAMAGE APPRAISERS.

The General Assembly of North Carolina enacts:

Section 1. G.S. 58-40.01 is repealed.

Sec. 2. G.S. 58-41(2)b. is rewritten to read:

"b. For agents and general agents: Be a bona fide resident of and actually reside within this State on the date he applies for a license, except as provided in G.S. 58-43 and G.S. 58-43.1. The provisions of this paragraph shall also apply to agents operating under General Statutes Chapters 57 and 57B."

Sec. 3. G.S. 58-41 is amended by striking from that section the final paragraph, which begins with the words, "In addition to" and ends with the words, "the agent's residence".

Sec. 4. G.S. 58-43, as found in the 1983 Supplement, is amended in the third line by substituting "life insurance, annuities, accident, health, or accident and health insurance" for "life insurance and annuities".

Sec. 4.1. G.S. 58-44 is amended in the second line by substituting "G.S. 58-72(4) through G.S. 58-72(22)" for "G.S. 58- 72"; and by rewriting the fifth line to read: "insurance as defined in G.S. 58-72(4) through G.S. 58-72(22)".

Sec. 4.2. G.S. 58-257 is amended by rewriting the second sentence to read:

"Any application or enrollment form that is taken by a resident agent shall also contain the certificate of the agent that he has truly and accurately recorded on the application or enrollment form the information supplied by the insured."

Sec. 5. G.S. 58-41.1(d) is amended in the fifth line after the word "applicants" by changing the period to a colon and by adding after the colon the following:

"Provided that the Commissioner is authorized to contract directly with persons for the processing of examination application forms and for the administration and grading of the examinations required by this section; and such contracts shall not be subject to Article 3 of General Statutes Chapter 143."

Sec. 6. G.S. 58-40(a), (b), and (c), and G.S. 58-40.1 are each amended by deleting therefrom the word "annually".

Sec. 7. G.S. 58-40 is amended by adding the following subsections:

"(e) Each license issued by the Commissioner under this section, G.S. 58-40.1, or G.S. 58-41.2 shall be valid for a period of one year. Upon the receipt of an application

for renewal and the renewal fee prescribed by G.S. 105-228.7, the Commissioner shall, if the applicant is otherwise qualified, renew the license: Provided that the Commissioner is not required to print licenses for the purpose of renewing licenses. The licenses issued under this section, G.S. 58-40.1, G.S. 58- 41.2, and G.S. 58-41.3 shall be in a form prescribed by the Commissioner.

"(f) The Commissioner is authorized to establish 'staggered' systems for licensing persons under this section, G.S. 58-40.1, and G.S. 58-41.2, that will most equally apportion the issuances and renewals of those licenses throughout each calendar year. To this end, the Commissioner is authorized to extend the licensure period for some licensees provided for in subsection (e) of this section for the purpose of establishing the staggered licensing systems. License application and renewal fees prescribed by G.S. 105-228.7 shall be prorated by the Commissioner to the extent that they are commensurate with the licensure periods extended by the Commissioner under this subsection."

Sec. 8. G.S. 105-228.7, as found in the 1983 Supplement, is amended by rewriting the first phrase, which precedes the table of fees, to read:

"Every manager, organizer, adjuster, broker, or agent representing in this State any insurance company, and every motor vehicle damage appraiser as defined in G.S. 58-39.4(o), shall apply for and obtain an annual certificate of registration or license from the Commissioner of Insurance in accordance with G.S. 58-40 or G. S. 58-40.1. There shall be no additional fee charged for affixing a seal. The following table indicates the annual fees for the respective certificates or licenses:"

Sec. 9. G.S. 105-228.7 is further amended by inserting immediately after the sentence following the table of fees the following sentence: "Fees paid by a company on behalf of a person who is licensed to represent the company shall be paid to the Commissioner on a quarterly or monthly basis, in the discretion of the Commissioner."

Sec. 10. This act shall become effective July 1, 1985.

In the General Assembly read three times and ratified, this the 27th day of June, 1985.