

GENERAL ASSEMBLY OF NORTH CAROLINA
1985 SESSION

CHAPTER 733
HOUSE BILL 456

AN ACT TO INCREASE EDUCATIONAL REQUIREMENTS FOR LICENSING OF
FIRE AND CASUALTY AND LIFE INSURANCE AGENTS AND TO REQUIRE
NOTICES OF AGENCY CONTRACT TERMINATIONS FROM INSURERS.

The General Assembly of North Carolina enacts:

Section 1. G.S. 58-41(6) is rewritten to read:

"(6) Has had special education, training, or experience of sufficient duration and extent necessary to satisfy the Commissioner that the applicant possesses the competence necessary to fulfill the responsibilities of an agent, general agent, or adjuster. All applicants for licensing as fire and casualty or life insurance agents shall furnish evidence satisfactory to the Commissioner of successful completion of at least 30 hours of instruction, which shall in all cases include the general principles of insurance and any other topics that the Commissioner establishes by regulation; and which shall, in the case of fire and casualty insurance applicants, include instruction in fire and casualty insurance and, in the case of life insurance applicants, shall include the principles of life insurance. Any applicant who submits satisfactory evidence of having successfully completed an agent training course that has been approved by the Commissioner and that is offered by or under the auspices of a fire and casualty or life insurance company admitted to do business in this State, shall be deemed to have satisfied the educational requirements of this subdivision. Upon the expiration of any license of an agent, general agent, or insurance adjuster, the Commissioner may grant a license to that agent, general agent, or insurance adjuster for a period not exceeding one year, upon an application of the company desiring to license that agent or general agent, or upon the application of the employer of that insurance adjuster, and without any application from the agent, general agent, or insurance adjuster, on forms and in accordance with rules determined by the Commissioner and upon payment of the proper fees by either the insurance company or the agent, general agent, or insurance adjuster. The requirement in this subdivision for completion of 30 hours of instruction does not apply to applicants for agents' licenses who are not required by law to take and pass written examinations for the issuance of the licenses; to applicants for title insurance agent licenses; not to applicants for physical damage insurance agent licenses who, when licensed, will not sell any other fire and casualty insurance than physical damage insurance on motor vehicles."

Sec. 2. G.S. 58-41.1(a)(5) is amended by deleting "Institute of Insurance of America, or any insurance institute conducted at a recognized college or university in

the State of North Carolina and meeting the standards as approved by the Commissioner of Insurance" and substituting "Insurance Institute of America".

Sec. 3. G.S. 58-131.53 is amended as follows:

(1) By inserting the following in the section heading after "rule": "; notice of termination of agency contract to the Commissioner"; and

(2) By designating the present language as subsection (a) and adding a new subsection to read:

"(b) Whenever any insurance company cancels its relationship with a North Carolina insurance agency or whenever the relationship between the agency and the company is in any way terminated, the company shall notify the Commissioner. The notification to the Commissioner shall state the number and kinds of policies written through the agency."

Sec. 4. Sections 1 and 2 of this act shall become effective July 1, 1986. Section 3 and this section are effective upon ratification.

In the General Assembly read three times and ratified, this the 12th day of July, 1985.