

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1989

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SENATE BILL 499
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House Committee Substitute Favorable 7/12/90
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Short Title: Insurance Amendments.

(Public)

Sponsors:

Referred to:

March 20, 1989

A BILL TO BE ENTITLED

AN ACT TO MAKE VARIOUS SUBSTANTIVE AND TECHNICAL
AMENDMENTS TO THE INSURANCE LAWS.

The General Assembly of North Carolina enacts:

Section 1. G.S. 58-15-140 reads as rewritten:

"§ 58-15-140. Duration of liability for assessment.

Every subscriber of a domestic reciprocal having contingent assessment liability shall be liable for and shall pay his share of any assessment computed in accordance with this Part, if, while the policy is in force or ~~within one year after its termination,~~ for such period after its termination as the Commissioner may establish by rule, the subscriber is notified (i) by the attorney of his intention to levy the assessment or (ii) that delinquency proceedings have been commenced against the reciprocal under the provisions of Article 30 of this Chapter, and the Commissioner or receiver intends to levy an assessment. In adopting such rules the Commissioner may take into account factors including the kinds of insurance issued by such reciprocals."

Sec. 2. G.S. 58-57-100(b) reads as rewritten:

"(b) Policy forms, rates, rating plans, and classifications for ~~the insurance authorized by subsection (a) of this section~~ single or dual interest nonfleet private passenger motor vehicle physical damage insurance shall be filed with the Commissioner in accordance with Articles 40 and 41 of this Chapter. Every insurer writing such insurance shall, on

1 or before April 1 of each year, file a supplemental financial statement in such form and
2 detail that the Commissioner prescribes that will enable the Commissioner to review
3 and analyze the filings made under this subsection."

4 Sec. 3. G.S. 58-1-15(d) is repealed.

5 Sec. 4. Article 2 of Chapter 58 of the General Statutes is amended by adding
6 a new section to read:

7 "**§ 58-2-105. Confidentiality of medical records.**

8 All privileged patient medical records in the possession of the Department shall be
9 confidential and shall not be public records pursuant to G.S. 58-2-100 or G.S. 132-1."

10 Sec. 5. G.S. 143-151.13(c) reads as rewritten:

11 "**§ 143-151.13. Required standards and certificates for Code-enforcement officials.**

12 (c) (For effective date see note) A Code-enforcement official holding office as
13 of the date specified in this subsection for the county or municipality by which he is
14 employed, shall not be required to possess a standard certificate as a condition of tenure
15 or continued employment but shall be required to complete such in-service training as
16 may be prescribed by the Board. At the earliest practicable date, such official shall
17 receive from the Board a limited certificate qualifying him to engage in Code
18 enforcement at the performance level and within the governmental jurisdiction in which
19 he is employed. The limited certificate shall be valid only as an authorization for the
20 official to continue in the position he held on the applicable date and shall become
21 invalid if he does not complete in-service training within two years following the
22 applicable date in the schedule below, according to the governmental jurisdiction's
23 population as published in the 1970 U.S. Census:

24 Counties and Municipalities over 75,000 population – July 1, 1979

25 Counties and Municipalities between 50,001 and 75,000 – July 1, 1981

26 Counties and Municipalities between 25,001 and 50,000 – July 1, 1983

27 Counties and Municipalities 25,000 and under – July 1, 1985

28 All fire prevention inspectors holding office – July 1, ~~1989~~ 1991.

29 An official holding a limited certificate can be promoted to a position requiring a
30 higher level certificate only upon issuance by the Board of a standard certificate or
31 probationary certificate appropriate for such new position."

32 Sec. 6. G.S. 58-30-60(d) reads as rewritten:

33 "(d) Any insurer subject to an order under this section shall comply with the
34 lawful requirements of the Commissioner and, if placed under supervision, shall ~~have 60~~
35 ~~days from the date the supervision order is served within which to~~ comply with the
36 requirements of the Commissioner within such period of time established by the
37 Commissioner. The Commissioner may in his discretion extend the time for
38 compliance beyond ~~60 days~~ such period of time for cause. In the event of such insurer's
39 failure to comply within such period of time, the Commissioner may institute
40 proceedings under this Article to have a rehabilitator or liquidator appointed, or extend
41 the period of supervision."

42 Sec. 7. G.S. 58-4-20 is recodified as G.S. 58-2-215.

43 Sec. 8. G.S. 58-33-35(6) reads as rewritten:

1 "(6) Applicants for license as agents for companies or associations
2 specified in G.S. 58-36-50; provided that with respect to town or
3 county farmers mutual fire insurance companies, this exemption
4 applies only to those agents who solicit and sell only those kinds of
5 insurance specified in G.S. 58-7-75(5)d for such companies."

6 Sec. 9. G.S. 58-33-125(d) reads as rewritten:

7 "(d) The requirement for an examination or a registration fee does not apply to
8 agents for domestic farmers' mutual assessment fire insurance companies or
9 associations ~~specified in G.S. 105-228.4.~~ who solicit and sell only those kinds of insurance
10 specified in G.S. 58-7-75(5)d for such companies."

11 Sec. 10. G.S. 58-36-80 reads as rewritten:

12 "**§ 58-36-80. Coverage for damage to rental vehicles authorized.**

13 ~~Every member of the Bureau is authorized to offer and provide, as a supplemental~~
14 ~~extension of property damage liability coverage in nonfleet private passenger motor~~
15 ~~vehicle insurance policies, coverage for property damage to rented motor vehicles~~
16 ~~caused by persons insured under such policies. —~~ As used in this section, 'property
17 damage' means damage or loss to a rented vehicle in excess of two hundred fifty dollars
18 (\$250.00), including loss of use and any costs or expenses incident to the damage or
19 loss, for which the renter is legally obligated to pay; and 'rented' means rented on a
20 daily rate basis for a period of 21 consecutive days or less. The Bureau is authorized to
21 promulgate rates and policy forms for insurance against property damage to rented
22 private passenger motor vehicles. Such coverage may be offered at the option of the
23 individual member companies of the Bureau."

24 Sec. 11. G.S. 20-11(b) reads as rewritten:

25 "(b) The Division may grant an application for a limited learner's permit of any minor
26 under the age of 16, who otherwise meets the requirements of licensing under this
27 section, when such application is signed by both the applicant and his or her parent or
28 guardian or some other responsible adult with whom the applicant resides and is
29 approved by the Division of Motor Vehicles. The limited learner's permit shall entitle
30 the applicant, while having the permit in his immediate possession, to drive a motor
31 vehicle of the specified type or class upon the highways while accompanied by a parent,
32 guardian, or other person approved by the Division, who is licensed under this Chapter
33 to operate a motor vehicle (of the type or class being operated by the permittee) and
34 who is actually occupying a seat beside the driver. The limited learner's permit shall be
35 valid for a period of 18 months and the fee for issuance of a limited learner's permit
36 shall be five dollars (\$5.00). Provided, however, a limited learner's permit as herein
37 provided shall be issued only to those applicants who have reached the age of 15 years.
38 In the event a minor who has been issued a limited learner's permit under this subsection
39 operates a motor vehicle in violation of any provision herein, the permit shall be
40 canceled.

41 Provided a driver who holds a learner's permit only shall not be deemed a ~~male~~
42 ~~operator under age 25 licensed driver~~ for the purpose of determining the ~~insurance~~
43 ~~premium rate for persons insured inexperienced operator premium surcharge under~~
44 ~~automobile property damage and bodily injury liability insurance policies."~~

- 1 Sec. 12. Section 11 of this act shall become effective January 1, 1991.
- 2 Sec. 13. This act is effective upon ratification.