

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1995

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HOUSE BILL 236

Committee Substitute Favorable 4/26/95  
Committee Substitute #2 Favorable 5/8/95  
Committee Substitute #3 Favorable 5/22/95

Short Title: Repeal Insurance Surcharge.

(Public)

Sponsors:

Referred to:

February 21, 1995

A BILL TO BE ENTITLED

AN ACT TO REPEAL THE INSURANCE REGULATORY CHARGE AND TO  
PROVIDE FOR THE DISPOSITION OF FEES COLLECTED BY THE  
DEPARTMENT OF INSURANCE.

The General Assembly of North Carolina enacts:

Section 1. G.S. 58-6-25 is repealed.

Sec. 2. Funds remaining in the Department of Insurance Fund shall be used for  
the purpose stated in G.S. 58-6-25(d) even though this act repeals that statute.

Sec. 3. G.S. 58-69-40 reads as rewritten:

**"§ 58-69-40. Disposition of fees.**

All fees collected by the Commissioner under this Article ~~shall be credited to the  
Department of Insurance Fund created under G.S. 58-6-25.~~ are receipts of the Department and  
shall be applied to the costs incurred by the Department in administering this Article."

Sec. 4. G.S. 58-70-45 reads as rewritten:

**"§ 58-70-45. Disposition of permit fees.**

All permit fees collected under this Article are receipts of the Department and shall be  
credited to the Department of Insurance Fund created under G.S. 58-6-25. applied to the costs

1 incurred by the Department for the specific purpose of providing the personnel,  
2 equipment, and supplies necessary to enforce this Article."

3 Sec. 5. G.S. 58-71-180 reads as rewritten:

4 **"§ 58-71-180. Disposition of fees.**

5 Fees collected by the Commissioner pursuant to this Article ~~shall be credited to the~~  
6 ~~Department of Insurance Fund created under G.S. 58-6-25.~~ are receipts of the Department and  
7 shall be applied to the costs incurred by the Department in administering this Article."

8 Sec. 6. G.S. 143-151.21 reads as rewritten:

9 **"§ 143-151.21. Disposition of fees.**

10 Fees collected by the Commissioner under this Article ~~shall be credited to the~~  
11 ~~Department of Insurance Fund created under G.S. 58-6-25.~~ are receipts of the Department of  
12 Insurance and shall be applied to the costs incurred by the Department in administering  
13 this Article."

14 Sec. 7. G.S. 105-228.8(e) reads as rewritten:

15 "(e) This section shall not apply to special purpose obligations or assessments  
16 based on premiums imposed in connection with particular kinds of ~~insurance, to the special~~  
17 ~~purpose regulatory charge imposed under G.S. 58-6-25,~~ insurance or to dedicated special  
18 purpose taxes based on premiums. For purposes of this section, seventy-five percent  
19 (75%) of the one and thirty-three hundredths percent (1.33%) tax on amounts collected  
20 on contracts of insurance applicable to fire and lightning coverage shall not be a special  
21 purpose obligation or assessment or a dedicated special purpose tax within the meaning  
22 of this subsection."

23 Sec. 8. Sections 1, 2, and 7 of this act become effective January 1, 1997, and  
24 apply to taxable years beginning on or after that date. The remainder of this act becomes  
25 effective July 1, 1996.