

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2011

SESSION LAW 2011-215  
HOUSE BILL 373

AN ACT TO AUTHORIZE THE PAYMENT OF INSURANCE PREMIUMS USING DEBIT CARDS, TO FACILITATE THE PAYMENT OF INSURANCE PREMIUMS USING CREDIT AND DEBIT 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 or debit card if the insurer accepting payment by credit card or debit 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. 58-63-15(7).
- (2) The insurer pays the fees charged by the credit card company or debit card issuer for the payment of premiums by credit ~~card~~ card or debit 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:

- ...
- (5a) 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 having requirements substantially similar to those contained in sub-sub-subdivision 1. of this sub-subdivision has made a determination that the requirements have been met.
    - b. The premium for the policy shall be paid from either the policyholder's funds or funds contributed by the covered persons, or from both.



c. An insurer may exclude or limit the coverage on any person as to whom evidence of individual insurability is not satisfactory to the insurer.

- (6) Notwithstanding the provisions of this section, or any other provisions of law to the contrary, a policy may be issued to the employees of the State or any other political subdivision where the entire amount of premium therefor is paid by such employees."

**SECTION 3.** This act becomes effective October 1, 2011.

In the General Assembly read three times and ratified this the 15<sup>th</sup> day of June, 2011.

s/ Walter H. Dalton  
President of the Senate

s/ Thom Tillis  
Speaker of the House of Representatives

s/ Beverly E. Perdue  
Governor

Approved 12:14 p.m. this 23<sup>rd</sup> day of June, 2011