

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2001

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SENATE BILL 320*

Short Title: Insurance Fee Repeals and Increases-AB.

(Public)

Sponsors: Senator Wellons.

Referred to: Insurance and Consumer Protection.

March 5, 2001

A BILL TO BE ENTITLED

AN ACT TO REPEAL MISCELLANEOUS FEES PAID BY INSURANCE COMPANIES TO THE DEPARTMENT OF INSURANCE; AND TO INCREASE THE INSURANCE COMPANY LICENSE APPLICATION AND RENEWAL FEES TO MAKE THE REPEALS REVENUE NEUTRAL.

The General Assembly of North Carolina enacts:

SECTION 1. G.S. 58-6-5 reads as rewritten:

"§ 58-6-5. **Schedule of fees and charges.**

The Commissioner shall collect and pay into the State treasury fees and charges as follows:

- (1) For filing and examining an insurance company application for admission, a nonrefundable fee of ~~two hundred fifty dollars (\$250.00), one thousand dollars (\$1,000),~~ to be submitted with ~~such filing; for filing and auditing annual statement, one hundred dollars (\$100.00); for filing any other papers required by law, twenty five dollars (\$25.00); for each certificate of examination, condition, or qualification of company or association, fifteen dollars (\$15.00); for each seal when required, ten dollars (\$10.00); for a list of licensed insurance companies, ten dollars (\$10.00).~~ the filing.
- (2) Repealed by Session Laws 1977, c. 376, s. 2.
- (3) The Commissioner shall receive for copy of any record or paper in his office fifty cents (50¢) per ~~copy sheet and ten dollars (\$10.00) for certifying same, or any fact or data from the records of his office and for the examination and approval of charters of companies, twenty five dollars (\$25.00).~~ copy.
- (4) He shall collect all other fees and charges due and payable into the State treasury by any company, association, order, or individual under his Department.

(5) Repealed by Session Laws 1999-435, s. 1."

SECTION 2. G.S. 58-6-7 reads as rewritten:

"§ 58-6-7. Annual license fees for insurance companies.

(a) In order to do business in this State, an insurance company shall apply for and obtain a license from the Commissioner by March 1 of each year. The license shall become effective the following July 1 and shall remain in effect for one year. Except as provided in subsection (b) of this section, the insurance company shall pay an annual fee for the license as follows:

For each domestic farmer's mutual assessment fire insurance company	\$ 25.00
For each fraternal order	100.00
For each of all other insurance companies, except mutual burial associations taxed under G.S.105-121.1	1,000.00 1,200

The fees levied in this subsection are in addition to those specified in G.S. 58-6-5.

(b) When the paid-in capital stock or surplus, or both, of an insurance company, other than a farmer's mutual assessment company or a fraternal order, does not exceed one hundred thousand dollars (\$100,000), the fee levied in this section shall be one-half the amount specified.

(c) Upon payment of the fee specified above and the fees and taxes elsewhere specified each insurance company, exchange, bureau, or agency, shall be agency is entitled to do the types of business specified in ~~Chapter 58, of the General Statutes of North Carolina as amended, to the extent authorized therein, except that: Insurance companies authorized to do either the types of business specified for (i) life insurance companies, or (ii) for fire and marine companies, or (iii) for casualty and fidelity and surety companies, in G.S. 58-7-75, which shall also do the types of business authorized in one or both of the other of the above classifications shall in addition to the fees above specified pay one hundred dollars (\$100.00) for each such additional classification of business done. this Chapter.~~ All fees and charges collected by the Commissioner under this Chapter are nonrefundable.

(d) Any rating bureau established by action of the General Assembly of North Carolina shall be exempt from the fees in this section."

SECTION 3. G.S. 58-24-125(a) reads as rewritten:

"(a) Every society transacting business in this State shall annually, on or before the first day of March, unless for cause shown such time has been extended by the Commissioner, file with the Commissioner a true statement of its financial condition, transactions and affairs for the preceding calendar year ~~and pay the fee specified in G.S. 58-6-5 for filing same. year.~~ The statement shall be in general form and context as approved by the NAIC for fraternal benefit societies and as supplemented by additional information required by the Commissioner."

SECTION 4. G.S.58-24-130 reads as rewritten:

"§ 58-24-130. Annual license.

Societies which are now authorized to transact business in this State may continue such business until the 30th day of June next succeeding January 1, 1988. The authority of such societies and all societies hereafter licensed, may thereafter be renewed

1 annually, but in all cases to terminate on the 30th day of the succeeding June. However,
2 a license so issued shall continue in full force and effect until the new license be issued
3 or specifically refused. For each such license or renewal the society shall pay the
4 Commissioner the fee specified in ~~G.S. 58-6-5~~, G.S. 58-6-7. A duly certified copy or
5 duplicate of such license shall be prima facie evidence that the licensee is a fraternal
6 benefit society within the meaning of Articles 1 through 64 of this Chapter."

7 **SECTION 5.** This act is effective when it becomes law.