

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2023

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SENATE BILL 123
Commerce and Insurance Committee Substitute Adopted 3/28/23

Short Title: Certificate of Insurance Clarifications.

(Public)

Sponsors:

Referred to:

February 20, 2023

A BILL TO BE ENTITLED

AN ACT TO PROHIBIT INDIVIDUALS FROM KNOWINGLY PREPARING, ISSUING, REQUESTING, OR REQUIRING A CERTIFICATE OF INSURANCE THAT INCLUDES INFORMATION NOT IN THE UNDERLYING INSURANCE POLICY AND TO CREATE A CIVIL PENALTY FOR ITS VIOLATION.

The General Assembly of North Carolina enacts:

SECTION 1. G.S. 58-3-149 reads as rewritten:

"§ 58-3-149. **Certificates of insurance.**

...

(c) It is unlawful for any person to knowingly prepare, issue, request, or require a certificate of insurance that meets any of the following criteria:

...

(4) Includes information not contained in the underlying insurance policy.

(d) Any person not otherwise subject to regulation under Chapter 58 of the General Statutes who prepares, issues, requests, or requires a certificate of insurance that meets the criteria of subdivision ~~(2) or (3)~~ (2), (3), or (4) of subsection (c) of this section is subject to a civil penalty of up to five thousand dollars (\$5,000). The clear proceeds of the penalty shall be remitted to the Civil Penalty and Forfeiture Fund in accordance with G.S. 115C-457.2. Payment of the civil penalty under this section shall be in addition to payment of any other penalty for a violation of the criminal laws of this State.

...."

SECTION 2. This act becomes effective October 1, 2023.

